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CORRECTION

Vol 13, No 7, July 1983
Page 216, Column 2
Line 5 should read:
(see p 215).

By-Election and State of the Parties

Details of the result of the first by-election of the new Parliament and the present state of the parties in the House of Commons are given below.

The Conservative Party retained the seat at Penrith and the Border, in a parliamentary by-election on 28 July. The seat became vacant when its holder, Mr William Whitelaw (now Viscount Whitelaw), was elevated to the peerage on 11 June. The Conservative candidate, Mr David Maclean, won by a majority of 552 votes.

The results were as follows:

D. Maclean (Conservative)	17,530
M. Young (Liberal-Social Democratic Alliance)	16,978
L. Williams (Labour)	2,834

Five other candidates between them received a total of 738 votes; they and the Labour candidate all lost their deposits. Almost 56 per cent of the electorate voted.

At the general election in June, the seat was held for the Conservative Party by Mr William Whitelaw, who polled 29,304 votes, followed by the Alliance candidate with 13,883 votes and the Labour candidate with 6,612 votes. Some 73 per cent of the electorate voted.

State of the Parties

As a result of the by-election the state of the parties in the House of Commons is unchanged and is as follows:

Conservative	395
Labour	207
Liberal	17
Social Democratic	6
Scottish National	2
Plaid Cymru (Welsh Nationalist)	2
Official Unionist (Northern Ireland)	11
Democratic Unionist (Northern Ireland)	3
Ulster Popular Unionist (Northern Ireland)	1
Social Democratic and Labour (Northern Ireland)	1
Provisional Sinn Fein (Northern Ireland)	1
TOTAL	646

The four remaining seats are held by the Speaker of the House of Commons and his three deputies (the Chairman of Ways and Means and the first and second Deputy Chairmen of Ways and Means), who do not vote except in their official capacity in the event of a tie. The government majority over all other parties is 144, although the Provisional Sinn Fein (Northern Ireland) MP has not taken his seat.

Parliamentary, Ministerial and Other Top Salaries

The salaries of the judiciary, the higher Civil Service and senior officers of the armed forces have been increased by 5·85 per cent; those of Members of Parliament by 5·5 per cent and those of ministers and certain other office holders by an average of 4·7 per cent. Increases in parliamentary allowances and peers' reimbursement allowances have also been made. The salary increases for the judiciary, the higher Civil Service and senior officers of the armed forces were announced by the Prime Minister, Mrs Margaret Thatcher, in the House of Commons on 21 July. The increases in parliamentary salaries were agreed in the House of Commons on 19 and 26 July.

Judiciary, Civil Service and Armed Forces

In a written reply on the publication of the report from the Review Body on Top Salaries[1] given in the House of Commons on 21 July (*Hansard*, Vol 46, No 26, written answers, cols 224-6), the Prime Minister said that the Review Body had recommended increases in the pay of the judiciary, the higher Civil Service and senior officers in the armed forces, for 1983-84, estimated to add about 6·9 per cent to the costs of implementing in full the Review Body's recommended figures for April 1982. (The Government did not implement in full the recommended increases for 1982 – see pp 175-6, 1982.) In addition the Review Body had urged that the abatement of the recommended pay for these groups made in 1982 should now be restored. The Government now

[1] *Review Body on Top Salaries. Report No 19. Sixth Report on Top Salaries.* Cmnd 8879. HMSO, £3·95. ISBN 0 10 188790 6.

Table 1

	Previous salary £	*Salary from August 1983* £	*Salary from January 1984* £
Senior grades of the higher Civil Service			
Secretary of the Cabinet Permanent Secretary to the Treasury	42,000	45,000	48,000
Permanent Secretary	37,750	40,500	42,750
Second Permanent Secretary	35,000	37,500	39,500
Deputy Secretary	30,250	32,500	34,250
Under-Secretary	25,000	26,750	27,750
Senior officers of the armed forces			
Admiral of the Fleet Field Marshal Marshal of the Royal Air Force	42,000	45,000	48,000
Admiral General Air Chief Marshal	37,750	40,500	42,750
Vice-Admiral Lieutenant General Air Marshal	30,250	32,500	34,250
Rear Admiral Major General Air Vice-Marshal	25,000	26,750	27,750
Higher judiciary			
Lord Chief Justice	52,500	56,500	60,000
Master of the Rolls Lord of Appeal Lord President of the Court of Session (Scotland)	48,250	51,750	55,000
Lord Chief Justice (Northern Ireland) President of the Family Division	47,000	50,500	53,500
Vice Chancellor Lord Justice of Appeal Lord Justice Clerk (Scotland) Lord Justice of Appeal (Northern Ireland)	45,500	49,000	52,000
High Court Judge Judge of the Court of Session (Scotland) Puisne Judge (Northern Ireland)	42,500	45,500	48,000

proposed to implement the recommended increase for the present year with effect from 1 August 1983 rather than 1 April 1983 and to make good the abatement with effect from 1 January 1984. This would increase the pay bill for the financial year 1983-84 by 5·58 per cent. These costs would be contained within the provision for total public expenditure in the latest public expenditure White Paper.[1]

The new rates of salary are given in Table 1.

Ministers' and MPs' Salaries and Allowances and Peers' Expenses

Members of Parliament

The basic annual salary of MPs will increase from £14,510 to £18,500 by January 1987. Salaries will be increased by five equal stages between 13 June 1983 and 1 January 1987, at which point the salary will be £18,500. From 1 January 1988 MPs' pay will be set at the level then payable to a civil servant earning £18,500 a year on 13 June 1983. There will be an immediate increase of £798, so that the salary from June 1983 is £15,308.

These increases are lower than those recommended by the Review Body on Top Salaries in their latest report on parliamentary pay and allowances,[1] but are higher than those recommended by the Government. While the Review Body had recommended that MPs' pay should be fixed at £19,000 a year – an increase of about 31 per cent – the Lord Privy Seal and Leader of the House of Commons, Mr John Biffen, informed the House of Commons in a written reply on 14 July (*Hansard*, Vol 45, No 21, written answers, cols 409-12) that the Government considered that the recommendations were too high and proposed instead that from June 1983 MPs' salaries should be fixed at £15,090 – an increase of 4 per cent – with a review of the figure to be made in a year's time. These proposals, however, were not

[1]Cmnd 8789. See pp 59-63.

[1]*Review Body on Top Salaries. Report No 20. Review of Parliamentary Pay and Allowances.* Vol 1: Report. Cmnd 8881-I. HMSO, £5·55. ISBN 0 10 188810 4. Vol 2: Surveys and Studies. Cmnd 8881-II. HMSO, £13·20. ISBN 0 10 188811 2.

Table 2

	*Previous salary** £	*Salary from July 1983* £	*Percentage increase*	*Salary from January 1984* £	*Salary from January 1985* £	*Salary from January 1986* £	*Salary from January 1987* £	*January 1987 percentage increase over current salary*
Prime Minister†	46,660	48,530	4·0	51,050	53,600	56,120	58,650	25·7
Lord Chancellor†	52,500	58,500	11·4	62,000	—	—	—	—
Cabinet Minister (Commons)	37,410	38,910	4·0	40,930	42,980	45,000	47,000	25·7
Cabinet Minister (Lords)	28,950	30,110	4·0	31,680	33,260	34,820	36,390	25·7
Minister of State (Commons)	29,035	30,410	4·7	31,990	33,590	34,170	36,750	26·6
Minister of State (Lords)	24,200	25,350	4·7	26,670	28,000	29,320	30,640	26·6
Parliamentary Secretary (Commons)	24,160	25,460	5·4	26,780	28,120	29,400	30,760	27·3
Parliamentary Secretary (Lords)	19,350	20,390	5·4	21,450	22,520	23,580	24,640	27·3
Attorney General	39,160	40,730	4·0	42,850	44,990	47,100	49,220	25·7
Solicitor General	33,810	35,160	4·0	36,990	38,840	40,670	42,500	25·7
Lord Advocate	29,000	30,160	4·0	31,730	33,320	34,890	36,460	25·7
Solicitor General for Scotland	30,210	31,420	4·0	33,050	34,700	36,330	37,960	25·7
House of Commons								
Leader of the Opposition	35,035	36,490	4·2	38,390	40,310	44,200	44,100	25·9
Chief Whip	32,610	34,030	4·4	35,800	37,590	39,360	41,130	26·1
Deputy Chief Whip	29,035	30,410	4·7	31,990	33,590	35,170	36,750	26·6
Opposition Chief Whip	29,035	30,410	4·7	31,990	33,590	36,750	36,750	26·6
Government Whip	21,735	22,910	5·4	24,100	25,310	26,500	27,690	27·4
Assistant Opposition Whip	21,735	22,910	5·4	24,100	25,310	26,500	27,690	27·4
Chairman of Ways and Means	29,035	30,410	4·7	31,990	33,590	35,170	36,750	26·6
Deputy Chairman of Ways and Means	26,585	27,920	5·0	29,370	30,840	32,290	33,740	26·9
The Speaker	38,785	40,340	4·0	42,440	44,560	46,650	48,750	25·7
Members of Parliament	14,510	15,308	5·5	16,106	16,904	17,702	18,500	27·5
House of Lords								
Chief Whip	24,200	25,350	4·7	26,670	28,000	29,320	30,640	26·6
Deputy Chief Whip	19,350	20,390	5·4	21,450	22,520	23,580	24,640	27·3
Government Whip	16,925	17,840	5·4	18,770	19,710	20,640	21,570	27·4
Leader of the Opposition	19,350	20,390	5·4	21,450	22,520	23,560	24,640	27·3
Opposition Chief Whip	16,925	17,840	5·4	18,770	19,710	20,640	21,570	27·4
Chairman of Committees	24,200	25,350	4·7	26,670	28,000	29,320	30,640	26·6
Principal Deputy Chairman of Committees	21,750	22,780	4·7	23,960	25,160	26,340	27,530	26·6

*All figures include parliamentary salary where appropriate.
†The salaries shown are those to which the holders are entitled; as in previous years, the Prime Minister and the Lord Chancellor have decided to draw no more than the salary payable to other Cabinet ministers. From 1 January 1985 to 1 January 1987 the Lord Chancellor's notional salary will be set at £2,000 above that of the Lord Chief Justice.

accepted by the House of Commons which agreed on 19 July that MPs' salaries should be established specifically up to the end of 1987 (see *Hansard*, Vol 46, No 25, cols 267-352).

Secretarial, Research and Office Expenses and Other Allowances: Secretarial and research assistance allowances payable to MPs have been increased from £8,752 to £11,364 for the year ending March 1984 and £12,000 for subsequent years. In line with the recommendations of the Review Body's report, new arrangements for the payment of allowances will be introduced. Under these, allowances will be paid by the House of Commons Fees Office direct to the staff or organisation providing assistance to an MP. (MPs are also entitled to travel or car mileage allowances and to free stationery, postage and telephone calls within the House of Commons.)

Ministers' Salaries

From 26 July 1983 the salaries of Cabinet ministers will increase by 4 per cent, those of ministers of state by 4·7 per cent, and those of other office holders in both Houses of Parliament by either 4·7 per cent or 5·4 per cent. The average increase for all ministers and office holders will be 4·7 per cent.

In addition to their ministerial salaries, ministers and office holders in the House of Commons receive a parliamentary salary in recognition of their constituency responsibilities as distinct from their ministerial or other responsibilities. This will rise from £8,460 to £13,875 by January 1987 with an immediate increase of £1,083 so that the parliamentary salary from June 1983 is £9,543.

In his statement on 14 July, Mr Biffen informed the House of Commons of the Review Body's recommendations that the pay of ministers and other office holders should be increased by amounts averaging 34·8 per cent and varying for different offices between 18 and 71 per cent for the year 1983-84. The Government considered that this was too high and proposed instead that existing salaries for ministers and other office holders should be increased by an overall average of 4 per cent. However, following the decision of the House of Commons on 19 July that MPs' salaries should be established specifically for the period up to the end of 1987, Mr Biffen announced on 26 July (*Hansard*, Vol 46, No 30, cols 1148-57) that the Government had reconsidered the subject of ministers' pay and had decided that, in order to maintain the differential between the pay of ministers and that of backbench MPs, the same arrangement should be made for the salaries of ministers and other office holders. Accordingly, on 1 January each year from 1984 to 1987, all ministers and office holders in both Houses would receive precisely the same percentage increase in their salaries as that proposed for MPs. In contrast, however, no arrangements had been made for setting the pay of ministers and other office holders from 1 January 1988. A further decision would be made when appropriate.

The new salaries for ministers and MPs, the costs of which for 1983-84 will be contained within the provision for total public expenditure in the latest public expenditure White Paper, are given in Table 2.

Peers' Expenses

From 1 July 1983 the following maximum daily rates may be claimed by peers for expenses incurred in attending the House of Lords:

	£
Overnight subsistence	40·00
Day subsistence and incidental travel	16·00
Secretarial costs, postage and certain additional expenses	17·00

Members of the House of Lords receiving a ministerial salary and the Chairman and Principal Deputy Chairman of Committees may claim an allowance for secretarial assistance up to an annual maximum of £2,000. In addition, peers receive reimbursement for travelling expenses. Following the recommendations of the Review Body's report, from July 1983 members of the House of Lords who are disabled may recover additional expenses of attending the House incurred on account of disablement. The increases were agreed in the House of Lords on 25 July (*Hansard* (*HL*), Vol 443, No 19, cols 1370-4).

Recent Legislation

The public Acts of Parliament passed between the opening of the new Parliament on 22 June and 29 July when the summer adjournment started are listed below.

Appropriation (No 2) Act 1983. Prescribes how expenditure is to be appropriated in order to finance specific public services. Royal Assent: 26.7.83. Ch 48, ISBN 0 10 544883 4, HMSO, £2·25.

Car Tax Act 1983. Consolidates enactments relating to car tax. Royal Assent: 26.7.83. Ch 53, ISBN 0 10 545383 8, HMSO, £2·70.

Companies (Beneficial Interests) Act 1983. Brings within the scope of the Companies Acts 1948 and 1980 beneficial interests in a parent company's shares when these are held on trust – for example, for a pension scheme. Royal Assent: 26.7.83. Ch 50, ISBN 0 10 545083 9, HMSO, £1·30.

Finance (No 2) Act 1983 (See p 274). Royal Assent: 26.7.83. Ch 49, ISBN 0 10 544983 0, HMSO, £2·70.

International Monetary Arrangements Act 1983. Raises the limit for lending to the International Monetary Fund imposed by the International Monetary Fund Act 1979 and allows the Bank of England to be indemnified over certain financial assistance. Royal Assent: 26.7.83. Ch 51, ISBN 0 10 545183 5, HMSO, 35p.

Local Authorities (Expenditure Powers) Act 1983. Removes certain restrictions on the powers of local authorities under Section 137 of the Local

Government Act 1972 and Section 83 of the Local Government (Scotland) Act 1973. Royal Assent: 26.7.83. Ch 52, ISBN 0 10 545283 1, HMSO, 35p.

Medical Act 1983. Consolidates the Medical Acts 1956 to 1978 and certain related provisions, with amendments to give effect to recommendations of the Law Commission and the Scottish Law Commission. Royal Assent: 26.7.83. Ch 54, ISBN 0 10 545483 4, HMSO, £5·40.

Value Added Tax Act 1983. Consolidates the enactments related to value added tax. Royal Assent: 26.7.83. Ch 55, ISBN 0 10 545583 0, HMSO, £6.

Anglo-Irish Encounter Organisation

The establishment of an Anglo-Irish organisation known as Encounter to foster contacts between the two countries has been agreed by the Governments of the United Kingdom and the Irish Republic.

The decision to support the establishment of an Anglo-Irish encounter organisation was announced on 27 July following a meeting in London between the Minister for Foreign Affairs of the Irish Republic, Mr Peter Barry, the Secretary of State for Foreign and Commonwealth Affairs, Sir Geoffrey Howe, and the Secretary of State for Northern Ireland, Mr James Prior. The objective in initiating the organisation is to contribute to the improvement of relations between the two countries in the interests of peace, reconciliation and stability. Encounter will organise periodic conferences and seminars with a wide range of representation on economic, social, cultural and other matters of common interest, with a view to promoting mutual understanding, useful co-operation and good relations. It will be an independent non-governmental organisation, but it is envisaged that the ideas generated at its conferences and seminars may be submitted to the two Governments for their consideration.

Sir David Orr, Chairman of Inchcape PLC, and Dr T. K. Whitaker, Chancellor of the National University of Ireland, have agreed to be joint chairmen of the organisation.

The establishment of such a body was recommended in the report of the Anglo-Irish Joint Studies approved by the two heads of Government in November 1981 (see pp 318-20, 1981).

Defence

Britain's four major defence roles – defence of the United Kingdom home base, its commitment to the North Atlantic Alliance's strategy of forward defence in Europe, the provision of strong naval and maritime forces, and an independent contribution to the Alliance's nuclear forces – were reaffirmed by the Secretary of State for Defence in a parliamentary debate on the annual defence White Paper[1] on 19 and 20 July.

PARLIAMENTARY DEBATE

Secretary of State's Speech

Opening the debate (*Hansard*, Vol 46, No 24, cols 182-265 and Vol 46, No 25, cols 392-470) the Secretary of State for Defence, Mr Michael Heseltine, said that the Government's defence policy did not exist in a vacuum. Defence had to be centred on the realities of the world, and the Government could not close its mind to existing confrontations, tensions and opposing ideologies or ignore the massive and frightening level of armaments. The responsibility to protect Britain's national sovereignty was so absolute and so central to all its other freedoms that the task of Secretary of State for Defence had to be based on assumptions of the most extreme caution.

Soviet Military Power

Britain could not ignore the military power of the Soviet Union and the Warsaw Pact, said Mr Heseltine. Recognising that the Russians had suffered invasions and massive loss of life in the Napoleonic and the first and second world wars, he stressed that the intentions of the Soviet leaders were not only defensive since they were maintaining a level of military force that went far beyond the requirements of self-defence. 'They have time and again, most recently in Afghanistan, used military force to subject a sovereign nation.' Neither could Britain ignore the continuing and dramatic modernisation of Soviet nuclear and conventional forces. Since 1970 the Soviet Union had introduced three new types of intercontinental strategic nuclear ballistic missiles and at least three new submarine-launched ballistic missiles. The United States, on the other hand, had put only two new submarine-launched ballistic missiles into service. The imbalance between Soviet and North Atlantic Treaty Organisation (NATO) longer-range theatre missiles and aircraft continued to grow, and NATO tanks, artillery and aircraft were outnumbered by factors of between two and three to one. The Soviet navy had been forged into a major force able to operate world-

[1] *Statement on the Defence Estimates 1983*. Cmnd 8951-I. HMSO, £4. ISBN 0 10 189510 0.

wide. Britain's defence policy was primarily designed to meet the risk that this threat presented and to preserve the peace and freedom of the British people through the collective security provided by its membership of NATO.

Mr Heseltine pointed out that there could be no coherent strategy to defend Europe without the United States, and the Government reaffirmed its welcome to the 60,000 United States servicemen and their families in Britain. NATO was a defensive alliance of mutual convenience and had no aggressive plans since no democratic Government and no electorate would tolerate such a prospect.

Four Defence Roles

Turning to the execution of Britain's defence strategy, Mr Heseltine said that the first of its main roles was the defence of the United Kingdom home base which was required to reinforce the land base of Europe and keep open the lifelines of the Atlantic. This would be enhanced by an expansion of the Territorial Army from 70,000 to 86,000 and by creating a Home Service Force to guard key installations. Major planned improvements in air defence would also be maintained. The first of the fleet of Nimrod Mark 3 airborne early warning aircraft would become operational in 1984, the air-defence version of the Tornado aircraft would enter service in the mid-1980s, and the programme to modify 72 Hawk aircraft to carry Sidewinder missiles was under way. The defence of United Kingdom waters would be improved by adding new minesweepers and hunters and introducing modern torpedoes (Stingray) and active sonars with a better shallow-water performance.

On the central front in the Federal Republic of Germany, Mr Heseltine pointed out that the British Army of the Rhine and RAF Germany were evidence of Britain's commitment to the Alliance strategy of forward defence. In 1983 the Challenger tank, the tracked Rapier missile system and the Tornado aircraft would all enter service.

Referring to Britain's role in providing strong naval and maritime air forces fundamental to NATO's sea defences in the eastern Atlantic and the Channel, Mr Heseltine said that the Government planned to spend in 1983-84 about £750 million more in real terms on the Royal Navy than in 1978-79. An extensive modernisation of the fleet was in hand, some 33 warships having been ordered since 1979.

Mr Heseltine stressed that the Government was committed to the replacement of Polaris by Trident in the mid-1990s in order to sustain Britain's independent nuclear forces.

Deterrence

Defence, continued Mr Heseltine, was largely about deterrence and the need to convince a potential aggressor that an attack could not gain advantage. 'It is not necessary to be able to deploy superior forces against an aggressor at every level of military capability, but it is necessary to convince an opponent that one has the range of weapons in every class to give one a flexible capability to respond to any attack. One must have a range of weapon systems sufficiently interrelated for an enemy to believe that escalation from one weapon system to another is credible and possible. Not only is such a range of weapon systems needed, but they must be modernised with every advancing generation of technology to ensure that they remain credible against the advancing technology and countermeasures of an opponent.'

Mr Heseltine said that a nuclear freeze' (see p 261) would mean that Britain's deterrent would lose capability if a freeze was not operated by the Soviet Union. Moreover, if both sides froze their nuclear forces to such a point that nuclear deterrence was rendered incredible by the advancing technology of countermeasures and protective systems, only conventional deterrence, where the Soviet Union had a vast superiority, would be left. Equally a 'no first use' declaration would mean the abandonment of flexible response. 'Flexible response does not imply a commitment to the early use of nuclear weapons, but it means that the Soviet Union must reckon with the possibility that NATO would be prepared if necessary to use nuclear weapons. Deterrence would be gravely weakened if we signalled to the Soviet Union that it could fight a conventional war in Europe without putting its homeland at risk. If NATO ever reached the point of having to consider the use of nuclear weapons, the objective would still be the same: to send a clear and unmistakeable signal to Soviet leaders that they had miscalculated the Alliance's resolve to resist and that by continuing the conflict they would be running unacceptable risks.' The best 'no first use' was the no first use of any weapons and the best insurance for that was the maintenance of those policies that had kept the peace in Europe for nearly forty years.

Turning to the question of intermediate-range nuclear forces, Mr Heseltine said that since 1979 the number of Soviet SS20 missiles, each with three warheads, had increased from 120 to more than 350, two-thirds being aimed at Western Europe. NATO had given the clearest warning to the Soviet Union in 1979 (see p 13, 1980) that, if it did not withdraw its intermediate-range missiles, then Pershing II and cruise missiles would be deployed in December 1983. If the Soviet Union had responded, there would be no need for Pershing II or cruise missiles in Europe. 'It is still not too late, but all the indications are now that the most optimistic outcome from Geneva would be an interim agreement not to avoid deployment, but to limit its scale based on equal numbers of warheads on both sides.' If the full deployment of Pershing II and cruise missiles were to take place, they would represent less than half of the number of warheads already deployed on the Soviet side.

Arms Control

The British people, Mr Heseltine stated, recognised that peace could not be negotiated with the Soviet leaders from a position of weakness and that the prospects for peace were enhanced by remaining strong. Nevertheless they expected the Government to deploy every energy in the pursuit of balanced, verifiable and fair arms control. The British Government had every intention of living up to that expectation, for every aspect of arms

control was now the subject of detailed negotiation by the world's political leaders.

On the Strategic Arms Reduction Talks (START) covering United States and Soviet intercontinental nuclear weapons, Mr Heseltine said that the United States had proposed a reduction in warheads on strategic missiles to 5,000 on each side (see footnote p 190, 1982). This would reduce existing deployments by about one-third from present levels. If these negotiations were to lead to a substantial breakthrough, the Government had made it clear that, in reviewing the future size of its irreducible minimum deterrent, Britain would not stand aside from such a breakthrough.

In the intermediate-range nuclear weapons talks the Alliance had proposed the 'zero option' (see pp 359-61, 1981), but had indicated that it was prepared to consider a reasonable interim settlement based on equal numbers of warheads. If an interim agreement was concluded after deployment had started, the Alliance would seek to extend it further by offering to withdraw those weapons already deployed if the Soviet Union did the same. Western proposals in the talks on mutual and balanced force reductions for conventional forces in Europe would reduce the number of troops stationed by either side within the area concerned to 900,000 (see footnote p 20).

Referring to chemical weapons, Mr Heseltine said that in March 1983 Britain had taken an initiative in support of Western moves to bring about a global ban (see pp 126-7). Although Britain had given up chemical weapons after the second world war, the Soviet Union had responded by building up a massive offensive capability.

In conclusion Mr Heseltine said: 'I have no doubt that in private, behind closed doors, there are those in the Soviet Union who fervently wish that the resources of armaments could be redirected to the peaceful pursuit of material well-being. No one can doubt that that is the wish and aim of the Western world. So it must be our responsibility, not only to remain strong against the dangers of failure, but, equally, to pursue with every endeavour the prospects of arms reduction and control by negotiation . . . It is perfectly true that a basis of trust with the Soviet Union does not at present exist. But let us also understand that it will feel something very similar about us. The quality of diplomacy is measured by the attainment of lasting, verifiable and balanced agreements between nations that do not always share a common trust. We may not succeed, but it would be unforgivable not to try.'

Opposition Views

The official Opposition spokesman on defence, Mr John Silkin, said that the allies of 1945 had denied the United Nations the real power to create permanent peace. A directly recruited United Nations peacekeeping force was required, leaving member states only such forces as might be necessary to defend their territories from aggression. Supporting the proposal for a nuclear freeze, Mr Silkin asked what superiority in nuclear weapons meant when both super powers had the ability to destroy all life on earth several times over. Verification of a freeze would be easy and presented no technical difficulties.

NATO had been founded in 1949, not to challenge the United Nations Charter but to fulfil it. There was, however, a flaw in NATO's present strategy which was based on the proposition that it could not withstand a conventional attack from the Warsaw Pact by conventional means alone and that nuclear weapons would be used. If this was carried out in practice, a world-wide nuclear war would become unavoidable. The installation of cruise and Pershing II missiles would solve nothing, since, for the first time, missiles that could reach Moscow in six minutes would be on German soil, a major change that was bound to affect the Soviet Union and its view of the West's intentions and to promote fear and suspicion. Nuclear stockpiles on both sides could be increased, thus making the risk of a nuclear war greater. He opposed the Trident missile system on the grounds that its purchase would be at the expense of Britain's conventional forces. Britain could not afford both Trident and an effective conventional defence policy.

Speaking for the Liberal Party, Mr Russell Johnston criticised the Government for its refusal to allow Polaris to be taken into account in the arms control negotiations, either at strategic or intermediate level, for this, combined with its support for Trident, reduced the chance of agreement in these talks. He also urged the Government to give greater emphasis to conventional defence. It was wrong to base the defence of Western Europe on the threat of first use of nuclear weapons. Britain should work within NATO to ensure that any Soviet conventional attack could be deterred by conventional means, thus raising significantly the nuclear threshold. The Government's opposition to a battlefield nuclear weapon-free zone in central Europe was mistaken.

The leader of the Social Democratic Party, Dr David Owen, said that in present economic circumstances it would be difficult to continue on the present projected defence strategy beyond 1986-87. In particular, Trident was a massive commitment of expenditure, with serious foreign policy and security ramifications, and beyond what Britain needed for a minimum deterrent. The remotoring of the Polaris missile and the modernisation of its warhead would provide such a deterrent into the next century. Moreover, the Government was planning to deploy far too many warheads and the system did not have the wholehearted support of the British people.

THE WHITE PAPER

The White Paper says that the high level of public interest in defence matters has been maintained. Developments during the year had included the initiation of Strategic Arms Reduction Talks between the United States and the Soviet Union, a change in the Soviet leadership, and Britain's victory in the conflict over the Falkland Islands (see p 239, 1982 and pp 7-12). The realities of defence policy, however, remained the same, namely the duty to ensure Britain's security and keep it free to pursue, by just and peaceful means,

its legitimate interests and activities at home and abroad. The key to continued peace and freedom remained, as it had been for over three decades, British membership of the North Atlantic Alliance and the collective determination of the Allies to prevent war in Europe by a policy of deterrence.

East-West Relations

The White Paper notes that the change in Soviet leadership has not led to any significant alteration in Soviet policy towards the West, the other nations of Eastern Europe or the Third World. The growth of Soviet and Warsaw Pact armaments had continued unchecked; the authorities in Poland, with Soviet support, continued to deny basic freedoms to the Polish people in direct contravention of the 1976 Helsinki agreements; and the Soviet occupation of Afghanistan – a flagrant breach of the United Nations Charter – continued. Political opposition in the Soviet Union was ruthlessly suppressed and vigorous measures had been taken to silence groups attempting to question the Soviet record on human rights or nuclear disarmament.

The Soviet Union continued to maintain massive conventional and nuclear forces well in excess of those required for its self-defence. 'The Soviet leadership have demonstrated their willingness to use military force to gain their own ends, irrespective of agreements they have signed and of international opinion. While it remains the case that there is no evidence that the Soviet Union is planning any immediate attack on the West, it is plain that we and our NATO Allies cannot afford to base our defences on the assumption that the Soviet leadership are essentially benevolent and concerned only with the Soviet Union's security.' The restraint shown by NATO in limiting its own force modernisation in the 1970s had not been matched and instead there had been an unparalleled Soviet expansion.

On the question of unilateral disarmament the White Paper observes that the new Soviet leader, Mr Yuri Andropov, had made it clear that no one should expect the Soviet Union to disarm unilaterally. Experience over the years had shown that such gestures on the part of the West would be seen as a sign of weakness, to be exploited rather than followed. The first requirement for NATO was to maintain sufficient forces, both conventional and nuclear, to convince the Soviet leadership that it could not hope to gain from any attack on the West.

The Military Balance

The Soviet military build-up in recent years was well illustrated by the steady increase in military expenditure. 'NATO's current estimate is that since 1970 this has risen by an average of 4 per cent a year in real terms, while NATO expenditure during the 1970s showed an overall slight decline.' Soviet defence expenditure accounted for some 14 to 16 per cent of gross national product in current prices, over twice the level of any NATO country. The Soviet Union devoted a much greater proportion of its defence budget to equipment and research since it had a largely conscript army and low labour costs. In spite of their economic problems Soviet leaders had continued to stress that they would make available whatever resources were required for defence.

Nuclear Forces

Turning to nuclear forces the White Paper states that at the strategic level the Soviet Union has improved the quality of its forces to a much greater extent than NATO. Since 1970 three new types of intercontinental ballistic missile had been introduced as had three new submarine-launched ballistic missiles: in contrast the United States had put only two submarine-launched ballistic missiles into service and the MX intercontinental ballistic missile, to be deployed from 1986, would be the first new one of its kind since 1970. The Soviet Union also had several intercontinental ballistic missiles under development as well as a new heavy bomber (Blackjack) and long-range cruise missiles.

On intermediate-range nuclear forces, the White Paper says that there are an estimated 351 SS20 launchers deployed by the Soviet Union. Since each SS20 carried three warheads and some of the older SS4 and SS5 missiles still existed, the total number of Soviet nuclear-missile warheads in this category had risen to some 1,300, of which about 1,000 threatened Western Europe: this compared with the 660 deployed in the early 1970s. 'NATO has no comparable missiles and since last year the number of NATO longer-range aircraft has reduced because of the completed withdrawal from service of the RAF Vulcan in the nuclear role. In contrast the Soviet Union has large numbers of Backfire bombers which pose a considerable threat to Western Europe.' The imbalance between the Soviet Union and NATO in intermediate-range nuclear missiles and aircraft had increased since 1982 from 4 to 1 to 5 to 1. In addition the Soviet Union was modernising its shorter-range systems through the deployment of the new SS22 missile and the future deployment of the SS23. NATO's only comparable missile was the 20-year-old Pershing I.

Similarly, among short-range systems, the Soviet Union was introducing new SS21 missiles as replacements for the Frog, the most recent NATO missile system in this category being the 10-year-old Lance.

Conventional Weapons

In conventional forces there have been significant improvements in Soviet capabilities, particularly in firepower and mobility. Modernisation of the Soviet tank force had continued, most units in the forward area being equipped with the latest T64/T72 types supported by a new infantry fighting vehicle and new self-propelled artillery. Extra Soviet infantry and artillery units had been added to tank and motor-rifle divisions.

Soviet airpower had been enhanced by modern swing-wing fighters with considerably improved range and pay load over their predecessors. A new ground-attack aircraft, Frogfoot, had been tested in Afghanistan and two new air-superiority fighters equipped with advanced 'look down shoot down' radars were under development. 'These advances are narrowing the technological gap

between NATO and Soviet aircraft which has hitherto provided NATO with some compensation for the Soviet Union's overwhelming numerical superiority.'

Turning to chemical weapons, the White Paper emphasises that the Soviet Union has a stockpile of over 300,000 tons and that Soviet forces are comprehensively equipped and trained to operate in a contaminated environment. In contrast only the United States among NATO members had stocks of chemical weapons which were much smaller, ageing and not declared to NATO. United States plans to modernise its chemical weapons had to be viewed against the continuing scale of the Soviet threat. 'A comprehensive and verifiable ban on chemical weapons remains the aim of the NATO Allies and there is some indication that the Soviet Union has been more active in negotiations since the US plans were announced.'

The Soviet naval building programme had continued relentlessly. 'In three decades the Soviet navy has been transformed into a major force capable of projecting Soviet power and threatening Western economic and security interests throughout the world.' Soviet surface-ship construction had concentrated on large and powerful vessels such as the Kiev aircraft-carriers and Kirov cruisers. Although there were still weaknesses in Soviet fleet support and air cover, a large nuclear-powered aircraft-carrier was expected to appear later in the 1980s. The Soviet naval shipbuilding programme was the largest in the world, some nine major submarines being completed in 1982 compared with only two by NATO.

NATO's Response

It was in response to these developments, the White Paper states, that NATO members agreed in 1977 that they should aim for annual real increases in defence expenditure of about 3 per cent. Britain remained firmly committed to this target. It was, however, not necessary for NATO to match the Warsaw Pact tank for tank or gun for gun or for its defensive forces to mirror too closely the structure of the essentially offensive forces of the Warsaw Pact.

The Soviet threat, however, was not confined to Europe, as the dramatic increase in the Soviet navy and the rise in Soviet military advisers in Third World countries (from 3,700 in 14 countries in 1965 to about 15,000 in 31 countries in 1982) had shown. Britain's actions to maintain and improve its ability to operate outside the NATO area reflected a shared recognition of the growing threat to Western interests outside the North Atlantic Treaty area. Other examples were the creation of the United States Rapid Deployment Force and the expansion of the United States Navy to 600 ships. 'The Government supports these American initiatives as a significant improvement in the free world's ability to promote stability and deter aggression in areas of importance to the West.'

Arms Control and Disarmament

Since the 1960s, notes the White Paper, NATO has been fully committed to arms control and disarmament measures designed to preserve security with fewer armaments and at lower cost. Britain had repeatedly reaffirmed its commitment to this policy whether through its support for the United States in the bilateral negotiations between the super powers on the reduction of nuclear arsenals or through direct participation in arms control negotiations between East and West. The aim was balanced and militarily significant and binding measures combined with satisfactory verification. 'Agreements which fail to meet these requirements are at best illusory and at worst can actually undermine our security.' Since experience had shown that successful arms control could not be achieved from a position of substantial inferiority, Britain's defence effort and arms control policy had to be complementary.

In the Strategic Arms Reduction Talks, which began in June 1982, the United States had proposed to reduce rather than to limit strategic nuclear weapons. 'The American approach has been to concentrate in the first instance on the most destabilising systems, land-based strategic missiles, and they have put forward proposals for substantial reductions in both missiles and warheads.' The Soviet Union had rejected these proposals but had set out its own ideas which, although less radical and heavily qualified, appeared to accept the concept of reductions. (See below for the talks on intermediate nuclear forces.)

Britain was a direct participant in the Vienna negotiations on Mutual and Balanced Force Reductions in central Europe. In July 1982, notes the White Paper, the West proposed, in treaty form, a single comprehensive agreement in which all direct participants would be committed at the outset to take a significant share in their side's overall force reductions. Reactions from the East had been negative, deadlock remaining on the crucial disagreement over the existing size of Eastern forces and thus the size of the reductions needed to achieve parity. There had also been reluctance to establish adequate verification procedures. The latest Eastern proposals, tabled in February 1983, had shown no significant change from longstanding positions and had made no attempt to meet the West's main concerns.

The British Government continued to play a major role in the work of the Committee on Disarmament in Geneva, covering a wide range of arms control issues. Particular attention had been focused on the problem of chemical weapons. Evidence of their use in South-East Asia and Afghanistan underlined the need for a comprehensive and fully verifiable convention to ban their development, production and stockpiling. All British stocks of chemical weapons were destroyed many years ago and in March 1983 Britain had tabled a paper on verification (see pp 126-7). 'But, despite some vague hints, the Soviet Union has so far refused to discuss the details of inspection procedures that they would be prepared to accept.'

Referring to the Madrid follow-up meeting of the Conference on Security and Co-operation in Europe, the White Paper says that the Western Alliance is working for a substantial and balanced document providing for a Conference on Disarma-

ment in Europe (to negotiate confidence-building measures applicable to the whole of Europe) and additional commitments on human rights and in other fields of the Final Act.

Britain and its Allies would continue to adopt a positive approach in a search for real, effective and balanced measures to reduce the level of arms on both sides, but would remain on their guard against Soviet attempts to use arms control negotiations as political instruments for achieving their own objectives. 'Past Soviet behaviour has shown that, while they are prepared to accept such agreements once convinced that it is to their advantage to do so, they are also always seeking opportunities to use arms control talks as a means of dividing the Allies.'

Britain and NATO

The White Paper, noting that public concern over the role of nuclear weapons in allied defence had led to some questioning of NATO strategy, stresses that the forces uniting the Alliance are far too strong to be broken by temporary differences. 'The toleration of such varying opinions only underlines NATO's strength, which has been founded for more than 30 years on its members' common goal, to defend the freedom and sovereignty of all the Allies.' British membership of NATO provided the only realistic way of countering the Soviet threat. NATO was a defensive alliance, its overriding aim being to prevent war by deterring aggression. If British forces were withdrawn from NATO and United States bases in Britain closed, 'not only would NATO's ability to deter be substantially weakened, but the cohesion of the Alliance would be put seriously at risk'. The result would be to undermine stability in Europe, increase the danger of war and jeopardise Britain's security.

Nuclear Forces

Recalling that the NATO heads of Government had reaffirmed in June 1982 that none of the Alliance's nuclear or conventional weapons would ever be used except in response to attack (see pp 231-3, 1982), the White Paper points out that the Warsaw Pact's recent offer of a non-aggression pact added nothing to commitments already undertaken. If its defence was to remain credible the Alliance needed to maintain an up-to-date defence including strategic, intermediate and short-range nuclear forces which from time to time required modernisation. Effective deterrence required that NATO had to be seen to have a credible response to Soviet aggression at any level, conventional or nuclear. Although the use of new technology to improve conventional weapons could well help to reduce NATO's reliance on nuclear weapons, they would be costly and might not be affordable on the scale required. 'It is unrealistic to imagine that, in the foreseeable future, they could eliminate the requirement for a nuclear capability to deter an overwhelming conventional attack; nor would they affect the need for appropriate nuclear forces to deter the use of the very substantial and comprehensive armoury of nuclear weapons at the disposal of the Soviet Union.'

Modernisation of Intermediate Nuclear Forces

Because of the Soviet build-up of SS20 missiles (see p 255), NATO ministers took the decision in December 1979 to introduce 108 Pershing II and 464 ground-launched cruise missiles in Europe over a five-year period from the end of 1983 unless the Soviet Union could be persuaded through arms control negotiations to limit this class of weapon. When negotiations began in 1981, the United States proposed the so-called 'zero-option' designed to eliminate a whole class of land-based missiles (see pp 359-61, 1981). If the Soviet Union agreed to dismantle all its SS4, SS5 and SS20 missiles, NATO's modernisation programme involving the deployment of cruise and Pershing II missiles would not proceed. The Soviet Union's negotiating position was based on an allegation that an approximate nuclear balance already existed in Europe whereas in fact it had a considerable superiority. Its original proposal to reduce to 300 medium-range missiles on each side, because of the conditions attached, would have prevented any NATO modernisation while allowing Soviet retention of modern weapon systems; the older SS4 and SS5 would have been dismantled but not the SS20s.

More recent Soviet offers had sought to confuse the position still further by offering parity with existing British and French strategic forces. This proposal was to reduce the Soviet forces to about 160 missiles within range of NATO Europe, which it claimed would balance the British and French systems numerically, in return for NATO abandoning its plans to deploy cruise and Pershing II missiles. This, however, took no account of the Alliance's need to deter the modernised capability represented by the SS20 and ignored the fact that the British systems were sea-based, independent and strategic, providing a last-resort deterrent, and thus had a completely different role from the land-based SS20. 'The result would be to allow the Soviet Union to retain a significant number of SS20s directly threatening Western Europe together with an unlimited number which could be moved within range if desired, whilst NATO would have no equivalent missiles.'

The Soviet Union, however, had since shown signs of recognising the special nature of intermediate-range missiles and had apparently accepted that warheads as well as missiles should be counted. The United States, with the support of Britain and the other NATO Allies, would continue to negotiate in good faith. 'The ideal aim remains that of eliminating all the Soviet SS4, SS5 and SS20 missiles threatening Europe while forgoing cruise and Pershing II missile deployments. President Reagan has made it clear that the United States is willing to agree, as an interim step towards this ultimate goal, a balanced outcome involving equal numbers of missile warheads on both sides.'

In the absence of agreement, deployment of the first missiles would get under way at the end of 1983; of the total of 572 missiles, 160 cruise missiles would be stationed at two bases in Britain (RAF Greenham Common and RAF Molesworth). These deployments were not irreversible; if the Soviet Union were to agree to the 'zero option'

after the first cruise missiles had arrived, they would then be removed.

The White Paper says that base facilities for United States nuclear weapons have been made available in Britain for many years. In the light of the planned deployment of cruise missiles, the existing undertakings between Britain and the United States (reached in 1951 and reaffirmed in 1952), which laid down that the use of United States missiles based in Britain was a matter of joint decision by the two Governments, had been jointly reviewed. 'We are satisfied that they are effective. The arrangements will apply to the United States cruise missiles based in the United Kingdom whether on or off bases. The effect of the understandings and the arrangements for implementing them is that no nuclear weapons would be fired or launched from British territory without the agreement of the British Prime Minister.'

Other Theatre Nuclear Systems

Two squadrons of Tornado aircraft, equipped to carry British nuclear and conventional weapons, have been formed. Two strike/attack squadrons are to be based in Britain and seven in the Federal Republic of Germany, in place of Jaguar and Buccaneer squadrons, as part of the British contribution to NATO's theatre nuclear forces. NATO is examining its nuclear stockpile requirement for shorter-range nuclear forces as a result of the modernisation of intermediate-range nuclear forces. 'This programme will involve a one-for-one withdrawal of existing warheads as new systems are introduced, as well as examining the balance of NATO's nuclear armoury as a whole. The aim is to ensure that the size and composition of the stockpile is set at the minimum level consistent with NATO's agreed strategy of deterrence. Any reduction in the stockpile which results from this review will be in addition to the unilateral removal of 1,000 nuclear warheads without replacement, which took place in 1981.'

Strategic Nuclear Weapons

The White Paper reaffirms the decision to purchase the Trident II strategic weapon system (see pp 62-3, 1982) on the grounds that it was the best replacement for Polaris and that 'no equivalent spending on conventional weapons could possibly have the same value in preventing war or offer a better assurance for the long term'. The Chevaline system entered operational service with Polaris in 1982 and, with its increased resistance to anti-ballistic missile defences and advanced penetration aids, would ensure the continued effectiveness of the British strategic nuclear deterrent until Trident entered service in the 1990s.

Conventional Forces

Turning to Britain's conventional forces, the White Paper emphasises the Government's intention to maintain an effective contribution to NATO's conventional defence by improving equipment, organisation and training. The experiences of the Falklands campaign (see pp 7-12) had not invalidated the policy set out in the 1981 defence programme review (see pp 195–7, 1981), and additions to the programme following the Falklands operation would be used as far as possible to enhance Britain's capabilities within and beyond the NATO area. Expenditure on equipment in 1983-84 was planned to be £7,372 million, some 46 per cent of the defence budget. Plans to replace Falklands losses by new equipment had been announced in December 1982 (see pp 11-12).

Defence of the United Kingdom Base

Britain's air defence system, notes the White Paper, is vital and a major re-equipment programme is under way 'to provide a flexible air defence system capable both of surviving attack and of swift and effective reaction'. Improvements to the United Kingdom Air Defence Ground Environment (UKADGE) were designed to enhance the ability of the Royal Air Force (RAF) to detect threats from the air and to provide timely and accurate tactical information to British forces. The air defence version of Tornado would enter service in the mid-1980s, two batches having been ordered. Once the Tornado squadrons were formed, four squadrons of Phantom aircraft would remain, thereby increasing the total number of fighters available for air defence. Some 72 Hawk aircraft were being modified to carry Sidewinder air-to-air missiles. Other improvements to air defence included the deployment of the Blindfire Rapier missile system to protect airfields in Britain and the Federal Republic of Germany, and the formation of three United States Air Force Rapier squadrons (in 1983, 1984 and 1986) in Britain.

The Royal Navy had an important part to play in the defence of Britain, particularly in mine clearance and anti-submarine warfare in shallow waters leading to Britain's ports. Modernisation of the Royal Navy's mine countermeasure force was well in hand, five new Hunt multi-role vessels having entered service and six more being under construction. Work had also begun on the first four of a new class of Fleet minesweeper for the Royal Navy Reserve and further orders had been placed. A contract had also been placed for the design and development of a new type of single-role minehunter and plans were being made for the introduction of modern torpedoes and active sonars with a better shallow-water performance.

Central Region

Noting that the Warsaw Pact was continuing to attach the highest importance to both the quality and size of its armoured forces, the White Paper emphasises that constant improvements in equipment are required, if an effective response to the threat is to be maintained. Enough orders had been placed for the Challenger main battle tank to equip four regiments, and their deployment to the British Army of the Rhine would enable the number of front-line units to be increased while at the same time enlarging war maintenance reserves of Chieftain tanks. Challenger would be the first British tank to benefit from the greatly increased protection provided by Chobham armour. Both the Chieftain and the Challenger would be kept in the forefront of armoured warfare technology, planned improvements including a new 120-mm high-pressure gun capable of firing improved armour-

piercing anti-tank ammunition. Both the land-based anti-tank missile systems, the long-range Swingfire and the medium-range Milan, would be fitted with night sights and improved missile warheads. In addition the helicopter-launched anti-tank system, TOW, is being fitted with an improved warhead to maintain its effectiveness against better-built protective armour. Work with France and the Federal Republic of Germany had begun on defining a new generation of anti-tank missile systems for the 1990s. In the next few years the Army's air defence capability would be improved by the deployment of four batteries of tracked Rapier. Similarly, the Royal Artillery would be greatly improved by the introduction of a multiple-launch rocket system and, later in the decade, of the self-propelled howitzer (SP70). The effectiveness of these and other guns would be enhanced by BATES, the artillery computer. The infantry would become more mobile with the introduction over the next few years of the Saxon wheeled armoured personnel carrier and, later in the decade, the Mechanised Combat Vehicle (MCV 80).

The major improvement to the offensive power of the RAF is being brought about by the introduction of the Tornado GR1, to be equipped with the JP 233 airfield attack weapon, air-to-air missiles for self-defence, and the Sky Shadow electronic countermeasures system. The White Paper adds that the Jaguar aircraft would continue in service in the general attack and tactical reconnaissance roles for operations on NATO's flanks following the formation of the Tornado squadrons. Development was continuing of the Anglo-American improved Harrier, designed to re-equip the RAF Harrier squadrons in the Federal Republic of Germany. Among future plans are the development of a new generation of short- and medium-range air-to-air missiles in collaboration with the United States, the Federal Republic of Germany and France, and the beginning of research into an advanced airborne anti-armour weapon and long-range stand-off air-to-ground missiles carrying conventional munitions.

Maritime Forces

The Government remains committed to the maintenance of strong and flexible naval forces equipped with modern weapons, sensors and aircraft capable of playing a major part in NATO's maritime defence effort in the Atlantic and the Channel and of deploying throughout the world in support of British interests and those of the Allies outside the NATO area. With the retention of HMS *Invincible*, it is planned that two aircraft-carriers should be operational at any one time with the third in refit or on stand-by. The White Paper points out that there are now eleven nuclear-powered hunter-killer submarines in service, five more were on order and tenders had been invited for a further vessel. Initial design and development work on a new type of conventional submarine was well in hand. The building programme of major surface ships also continued and the present front-line force of destroyers and frigates stood at 59. In 1982 HMS *Illustrious* had entered service, as had three Type 42 destroyers and a Type 22 frigate. The carrier HMS *Ark Royal*, three Type 42 destroyers and eight Type 22 frigates, including three to replace Falklands losses, were on order.

New weapon systems now in service included the Sea Skua air-launched, and Sub-Harpoon underwater-launched, anti-ship missile systems, and the lightweight torpedo, Stingray, was due to be accepted into service shortly. The new heavyweight Spearfish torpedo would enter service later in the decade. A wider range of modern long-range radars and the introduction of a new medium-range surveillance radar with improved resistance to electronic countermeasures would help the fleet to detect low-flying missiles. Maritime communications would be improved by a new military communications satellite to be launched in 1985.

The White Paper says that anti-submarine warfare is the most challenging of naval tasks since the scale of the Soviet threat underlined the need to defend the transatlantic shipping on which Britain would be highly dependent in time of tension or war for the reinforcement and resupply of the European front and the United Kingdom base. Design work was well under way on the Type 23 frigate, required for anti-submarine warfare in the North Atlantic and to protect NATO's striking fleet. It would be fitted with a towed sonar to detect hostile submarines at long range in deep water and a hull-mounted sonar for shallow-water detection; and be equipped with an anti-submarine warfare helicopter with Stingray torpedoes, the Sea Wolf short-range anti-missile system, modern surface-to-surface guided weapons, a torpedo-launching system for close-range defence against submarines, and new radar systems.

Two squadrons of Buccaneer aircraft and the Royal Navy's Sea Harrier aircraft would be equipped with the advanced Sea Eagle sea-skimming anti-ship missile for which production orders had been placed in 1982. Some 34 Nimrod aircraft were being converted to provide improved maritime reconnaissance, and would be equipped with the Harpoon air-to-surface missile as well as short-range air-to-air missiles.

Outside NATO

Although the Falklands campaign had shown Britain's ability to operate outside the NATO area, there were many ways in which the skill of its forces could be used without direct military action. Examples included participation in peacekeeping operations in the Middle East; in February 1983, at the request of the Lebanese Government, an armoured reconnaissance unit of 100 men had joined the multinational force in Beirut and Britain still had a continuing role with the military forces and observers along the Egypt-Israel border (see pp 157-8, 1982). These deployments, together with the involvement with United Nations forces in Cyprus, indicated Britain's willingness to contribute to the maintenance of peace in potential trouble spots.

Falklands Garrison

The Falklands garrison, comprising ships, aircraft and land forces, is designed to be large enough to

deter any further Argentine aggression. The garrison is maintained at a high rate of readiness and, since the repossession of the Falkland Islands in June 1982, a temporary runway has been constructed at Stanley airfield; a major logistic support effort from Ascension Island and by sea has been maintained; and a decision has been taken to construct a permanent strategic airfield capable of operating wide-bodied jets and so significantly improving Britain's ability to reinforce the garrison in an emergency (see pp 231-2).

Northern Ireland

One of the most publicised of the Services' tasks is the support given to the Royal Ulster Constabulary (RUC) in Northern Ireland. The number of major units on emergency tours had been reduced from three to two and, as a result, the number of troops in the Province was about 10,000. This reduction reflected both the steady expansion of the RUC and its increased effectiveness in combating terrorism and the value of the Ulster Defence Regiment which was providing first-line support to the police in nearly all areas. The fall in regular troop numbers had been also caused by the gradual and continuing fall in the level of terrorist crime.

Expenditure

The defence estimates for 1983-84 total £15,721 million, a lower figure than that given in the White Paper; the major cause of the reduction was the round of public expenditure cuts announced in July (see pp 233-5). In real terms the provision for 1983-84 shows an increase of nearly a fifth since 1978-79. Defence expenditure in 1982 as a percentage of gross domestic product (GDP) was 5·1 per cent and was the fourth largest among NATO member states. On the basis of average market exchange rates defence spending by Britain was higher in 1982 in absolute terms than by any other major European ally. The White Paper points out that the British Government remains committed to implementing in full the NATO target of a real increase of 3 per cent in defence spending each year until 1985-86.

Personnel

The regular armed forces totalled some 320,900 personnel in January 1983, of whom 71,300 were in the Royal Navy and Royal Marines, 160,300 in the Army and 89,300 in the Royal Air Force. Reserve forces totalled 280,200, of whom 193,400 were regular reserves and 86,800 volunteer reserves and auxiliary forces. Cadet forces numbered 141,800. The rate of voluntary outflow has remained low, fewer people leaving the armed forces in 1981-82 than in any year since the ending of conscription. Although overall recruitment was satisfactory, problems continued to be encountered with regard to officers and certain technical grades.

Regular reserve forces play an important role in Britain's defence policy. The Territorial Army provides nearly a third of the Army's mobilised strength and its planned expansion to 86,000 by the end of the decade is well under way. On mobilisation one-half of its strength would be committed to reinforcement of the British Army of the Rhine and the rest to home defence. Territorial Army units are also being equipped to the standard of regular units; in 1982, for example, the Milan anti-tank guided weapon system was introduced.

Recruitment of four pilot companies of the new Home Service Force, attached to Territorial Army units, began in September 1982. Its role, says the White Paper, 'will be to provide static guard forces for lower priority key points in times of tension or war, thus relieving more highly trained units for other tasks'. In addition three more Royal Auxiliary Air Force Regiment squadrons have been raised since 1982 for the ground defence of Royal Air Force stations in Britain, bringing the total number to six.

DEFENCE ESSAYS

The White Paper contains several essays devoted to defence issues. Those on NATO strategy and alternative approaches to nuclear disarmament are summarised below.

NATO Strategy

The essay on NATO strategy says that this is essentially defensive and that NATO will not use any of its forces unless an attack is launched on a member state; in the event of such an attack the Allies would regard it as an attack on all of them. In the early days of the Alliance the vastly superior nuclear forces of the United States had deterred Soviet aggression against Western Europe, but, as the Soviet Union moved towards nuclear parity in the late 1960s, NATO had developed its present strategy of 'flexible response', the aim being to deter a potential enemy by making it clear that NATO had the ability and the determination to resist aggression by an effective military response at an appropriate level. Flexible response meant that NATO had to be able to mount a robust conventional defence and to maintain adequate nuclear forces if deterrence was to remain effective. 'The aim of the Alliance is to convince the Soviet Union that we have at our disposal a range of defensive options that would enable us to respond to any attack at an appropriate level and that any gains which Soviet aggression might be designed to achieve would be outweighed by the damage which could be inflicted on them.'

The flexible response strategy did not commit NATO to respond to an attack in a preordained way since if 'its fundamental purpose of preventing war failed, the Alliance's objective would be to stop the conflict at the lowest possible level'. NATO's forces, although outnumbered by those of the Warsaw Pact, were well trained and equipped and would not easily succumb to a conventional attack, even on a massive scale. The existence of substantial numbers of nuclear weapons as part of NATO's deterrent forces did not mean that they would be automatically used if deterrence failed or that NATO strategy was based on an intention of fighting and winning a nuclear war. 'The Allies need no convincing that in such a war there would be no winners.' Flexible

response did not encompass a pre-emptive strike against the Warsaw Pact's nuclear forces nor did it imply a commitment to the early use of nuclear weapons. 'It does mean, however, that the Soviet Union must reckon with the possibility that NATO would be prepared, if necessary, to use nuclear weapons in self-defence. This is an essential part of effective deterrence. To abandon the strategy of flexible response would only serve as a signal to the Soviet Union that they could undertake a conventional war in Central Europe without putting their own homeland at risk. But even if NATO should reach the point of considering the use of nuclear weapons, its objectives would still remain the same: to convince the Soviet leadership that they had miscalculated the Alliance's resolve to resist and that by continuing the conflict they would be running unacceptable risks.'

Effective deterrence required adequate conventional, theatre nuclear and strategic nuclear forces. Britain contributed to all three elements by committing its conventional and nuclear forces to the Alliance and by providing bases for United States forces. Any rejection of this strategy would lead to a major weakening of NATO, an undermining of deterrence and consequently an increase rather than a decrease in the risk of war. The possession of nuclear weapons, by deterring attack, made any kind of war, especially nuclear war, less likely. 'Its sole purpose is to keep the peace. It may not seem an attractive way of doing so but in an age in which nuclear weapons exist, and cannot be disinvented, it is the surest way we have. It has worked for more than 30 years and there is no reason why it should not continue to do so.'

Alternative Approaches to Nuclear Disarmament

The essay on alternative approaches to nuclear disarmament says that the continuing concern over nuclear weapons and over the relatively slow progress towards arms control agreements has led to proposals for several alternative approaches to NATO's aim of balanced, verifiable, militarily significant measures of disarmament. There was no doubt that some of these ideas had been put forward or fostered by the Soviet Union in an attempt to exploit Western public concern to its own advantage. It was nevertheless right that they should be given serious consideration and be judged on their merits and the Government welcomed informed debate.

A Nuclear Freeze: Commenting on the Soviet proposal for a freeze on the production and/or deployment of all nuclear weapons, the essay says that it would be attractive if it resulted in a stable and genuine balance of forces between East and West. 'But in present circumstances it would do no more than perpetuate and legitimise existing Soviet superiority . . .' Over the last decade the Soviet Union had modernised or replaced many of its nuclear weapons while NATO had adopted a policy of self-imposed restraint. 'A freeze would prevent the West taking steps to modernise its forces to ensure that they continue to provide an effective deterrent, and would create a dangerous instability.' It would also be very difficult to verify and, by removing any incentive for the Soviet Union to negotiate seriously, would militate against the more important and urgent task of seeking real reductions in the forces of both sides.

No First Use of Nuclear Weapons: The proposition of a no-first-use pact with the Soviet Union, the essay states, ignores the fundamental differences between the threats faced by the Warsaw Pact and by NATO. 'The Warsaw Pact has no reason to fear aggression by NATO and every reason for confidence that the massive Eastern Bloc conventional superiority would defeat any conventional attack without recourse to nuclear weapons. NATO can have no similar confidence in Soviet motivations nor, in the light of the conventional imbalance, can the Alliance be confident of deterring any Eastern aggression by its conventional forces alone; without the deterrent of possible first use of nuclear weapons by NATO the Soviet Union might be prepared to risk a conventional attack. NATO, for its part, has forsworn the first use of any form of force [see p 257].' Experience had shown the need to be wary of Soviet undertakings of this nature. The Soviet invasions of Afghanistan and Czechoslovakia had been clear breaches of the United Nations Charter which forbade the use of force against other sovereign states.

Nuclear Weapon-Free Zones: The essay observes that there are a number of practical disadvantages to the concept of nuclear weapon-free zones on either side of the East-West border in central Europe. 'Militarily it would be of little significance since targets within such a zone could readily be attacked by longer-range systems based outside it, and the mobility of most nuclear weapon delivery systems means they could be deployed into such a zone at very short notice in a crisis. Effective verification would pose serious problems.' In the case of the most frequent proposal for a 'battlefield' nuclear-free zone in Europe, most of the weapons concerned had both a nuclear and a conventional role, so that problems of definition could arise. Moreover, the nuclear threshold would not be raised by a zone since this was essentially determined by the strength of NATO's conventional defence and not its nuclear capability or its location. The Soviet Union had proposed a battlefield nuclear weapon-free zone of some 500 to 600 kilometres width. A zone of this size would greatly favour the Warsaw Pact powers because of their overwhelming advantage in ballistic nuclear missiles capable of striking such a zone from outside. 'In practice the creation of any sort of nuclear-free zone in Europe would be of little military value, and would create a quite false impression of enhanced security.'

Unilateral Nuclear Disarmament: Noting that the Campaign for Nuclear Disarmament favoured the removal of all British and United States nuclear weapons from British soil and the withdrawal of Britain from NATO, the essay says that without membership of NATO and without nuclear weapons Britain would be virtually defenceless against Soviet threats. A NATO without Britain

would be fatally weakened and the ability of the West to deter aggression would be substantially reduced. Limited one-sided disarmament measures had been advocated in the hope that this would provide a catalyst to more widespread disarmament. In the case of chemical weapons Britain had unilaterally abandoned them in the 1950s and the United States had ceased production in 1969, yet the Soviet Union now had a massive and growing chemical warfare capability. 'In the 1970s NATO introduced few new nuclear weapon systems and maintained the number of nuclear warheads virtually unchanged; in 1981 the Alliance unilaterally withdrew 1,000 nuclear warheads from its European stockpile. The Soviet response was to sustain a massive increase, both quantitative and qualitative, in its own nuclear arsenal over the whole of the decade . . . The policy of maintaining adequate defences while being willing to negotiate balanced reductions in the forces of both sides has brought the Soviet Union to the negotiating table in Geneva. To abandon it now in favour of untried and potentially dangerous alternatives would be to put the future security of this country and our allies at risk.'

World Hunger and Britain's Aid Programme

Britain's contribution, as part of its aid programme, towards alleviating the problem of world hunger through assistance to agriculture and rural development was described during a debate in the House of Lords on 13 July.

The Government's concern for the plight of those people in poorer developing countries who day by day did not have enough to eat was expressed by the Minister of State at the Foreign and Commonwealth Office, Baroness Young (*Hansard*, Vol 443, No 13, cols 800-74). Their problem made tremendous demands on the governments of the developing countries themselves, and also posed a challenge to industrialised countries to use their resources to help build up a long-term solution.

Population Growth and Food Resources

It was generally accepted that the present world population of about 4,400 million was likely to increase to about 6,200 million by the year 2000 because of increasing life expectancy, particularly in the poorer countries. To meet the effective world demand for agricultural products, present output would have to be doubled by the year 2000. Today, around 1,500 million tons of cereals, which provided most of the energy and protein supplies of most people and were also a major source of animal food, were produced each year. If world production was to reach the present level of consumption in Western Europe, about 3,000 million tons would be needed in the year 2000, with similar increases being required in root crop, vegetable, fruit and beverage crop production, as well as in fibre and oil seed crops. The greater part of increased crop production would need to come, not from bringing presently unused land into production at great cost and with low productivity, but from increased yields per unit area and from improved farming systems.

British Policy

For many years, said Baroness Young, successive British Governments had accepted the importance to developing countries of rural development and food production in particular. The increased importance attached to the agricultural sector in British aid policy had been matched by a similar reorientation by other donors, notably the World Bank. Such aid remained a high priority because agriculture was the basis of the economy in nearly all developing countries. Following the Cancun Summit meeting (see pp 329-30, 1981), the Prime Minister, Mrs Margaret Thatcher, had said in the House of Commons (*Hansard*, Vol 10, No 158, cols 557-66) that the main priority had to be for developing countries to grow more food for their own people, which meant giving farmers the right incentives and technical support, and designing aid to reinforce these objectives. The European Community Council of Ministers, too, had reaffirmed the priority which the Community was giving to the food and agriculture sector and had launched a National Food Strategy initiative which Britain had been actively supporting. In addition, Commonwealth heads of Government, at their meeting in Melbourne in 1981 (see pp 295-300, 1981), had recognised that the ultimate solution to the world food problem lay in greater food sufficiency in developing countries.

In formulating its aid policy to the agricultural sector, the British Government took into account the specific needs of different countries. In Asia, the high-priority areas were irrigation, land resource conservation and assessment, oil seeds, crop protection, forestry and agricultural research. In Africa, priority was attached to agricultural policy and planning, crop protection, agricultural research – including farming systems – marketing and credit, agricultural management, livestock, forestry extension and training. Many countries needed expert assistance with such post-harvest activities as processing, storage and marketing.

While the experience of the mid-1970s had demonstrated some difficulties in channelling aid resources productively into agriculture, it had also shown some of the constraints which needed to be tackled for development of that sector and which could be relieved by effective aid. For example, there was a particular need in Africa for skilled technical manpower to be provided, to enable capital aid to be absorbed effectively. The British Government had found that programmes needed longer periods of active involvement by donors than in the past.

Britain had built up and sustained a unique capability to co-operate with developing countries to meet their varying needs. Its expertise covered a wide range of disciplines and involved many institutions, including private firms of consultants and contractors, universities and government-supported research stations, and constituted a valu-

able pool of experience upon which the aid programme drew. For example, about half the total research and development programme commissioned by the Overseas Development Administration was directed to agriculture, with the emphasis on research likely to be of practical use in a reasonable period of time, and with priority being given to research and development of direct relevance to the poorer sectors of the poorer countries. Relatively small investments in contracted research enabled the resources of British science to be brought to bear on the needs of developing countries.

Multilateral Assistance

Britain's help to the agricultural sector under its aid programme, said Baroness Young, fell into two main categories – multilateral and bilateral. Multilaterally, Britain was playing an important part through its contributions to international institutions, such as the World Bank, the European Development Fund, the Food and Agriculture Organisation and the International Fund for Agricultural Development (IFAD). The IFAD began operating in 1977 and Britain's contribution to its initial funding had been £18 million, with a further £12·9 million under its first replenishment (see pp 75-6, 1982). The World Bank's lending for agricultural and research and development projects had increased dramatically from $2,200 million in 1970-73 to more than $13,200 million in 1978-81, an increase from 19 to 31 per cent of total World Bank and International Development Association lending (see p 265). A rising share of this total supported the poorest countries and there had been greater emphasis on crops most likely to be grown or eaten by the poor.

The Regional Development Banks were another important source of funds for agricultural development. For example, 22·8 per cent of aid provided under the programmes of the Inter-American Development Bank (IDB) in the period from 1961 to 1982 had gone to agriculture and fisheries, with Britain expecting to provide £5 million to the IDB in the current financial year. Technical co-operation was a vital support to capital aid, and Britain, which was a major contributor to the United Nations Development Programme, the largest multilateral source of funding for such co-operation, was providing £18·3 million to it in 1983.

Britain was also a founder member of the Consultative Group on International Agricultural Research (CGIAR)[1], whose centres performed a crucial role in helping to build up agricultural production in developing countries. The success of the International Rice Research Institute in the Philippines in developing improved varieties with high-yield potential was well known, and other centres had also made significant contributions towards improving food production, increased emphasis being placed on the development of new technologies suited to the poor farmer, and of improved high-yielding varieties resistant to drought, major pests and diseases. While this was a long-term operation, there had, said Baroness Young, been remarkable successes already. Among consumers, low income groups gained most from the low food prices resulting from increased supplies. Income gains among farmers were directly proportional to farm size but additional income generated by new varieties stimulated non-agricultural as well as agricultural employment. High-yielding varieties were now cultivated on more than one-third of the total wheat and rice lands in the developing world – by 1980, on a total of 55 million hectares – and the area continued to grow by some 4·5 million hectares a year. Britain's contribution to the core budgets of these agricultural research centres since 1971 had amounted to over £25 million. In 1983 Britain was contributing £4 million, and spending an additional £1 million on contracted back-up research in Britain in support of the centres, enabling the resources of British science to be brought to bear upon the more basic research problems necessary to the centres' work but beyond their own resources.

[1]The CGIAR, which is sponsored by the World Bank, the United Nations Development Programme and the Food and Agriculture Organisation, consists of national donors including Britain, the United States, Canada, the Federal Republic of Germany and Sweden, along with some foundations and development banks. It supports nine internationally run agricultural research centres in various developing countries.

Bilateral Aid

Turning to Britain's bilateral aid programme, Baroness Young said that aid to agriculture remained a high priority. Agricultural projects involving capital aid were often associated with technical co-operation assistance in the form of personnel, training and consultancies, and experience had shown that agricultural projects required particularly careful preparation and needed to involve a wide range of expertise. This expertise was available from the professional staff of the Overseas Development Administration, and from consultants in the private sector, universities and other research organisations. With changing needs and growing capacity elsewhere, the British Government had judged it possible to reduce the size of the Land Resources Development Centre and to merge the former Tropical Products Institute and Centre for Overseas Pest Research into the newly-created Tropical Development and Research Institute (see p 129). Britain regarded these organisations, with their high international reputations, as a valuable part of the aid programme and believed that these changes would make them more cost-effective and ensure that the greatest possible benefits were obtained from the aid money Britain spent.

Among examples of projects receiving assistance under Britain's bilateral aid programme was the installation of 4,000 deep tubewells in Bangladesh to irrigate 741,300 hectares of land and enable crops to be grown during the dry season. Britain was contributing £17·36 million towards this $142 million World Bank project to increase food production, which would also assist farmer co-operatives and would be supported by British consultants.

Britain's assistance to Zambia provided examples of two approaches to increasing agricultural production. To help smallholders, aid totalling £3 million, together with a team of technical co-

operation officers, had been allocated to three districts which currently imported food from other parts of the country. Under the project, which was part of the Zambian integrated rural development programme, oxen were being trained and sold to farmers, roads and bridges built to open up agricultural areas, local marketing organisations improved, and health units and village wells constructed. Together with economical farmgate prices – a vital element for sound agricultural development – the project had already yielded a 50 per cent increase in maize production. Noting that at present Zambia was importing 90 per cent of its wheat requirements, Baroness Young said that to help meet the growing demand for bread in urban areas, Britain was, additionally, providing £500,000 for irrigation equipment for wheat production, which would be sold to large-scale commercial farmers.

Britain's technical co-operation assistance to Egypt illustrated what it was doing to help with the important question of skilled technical manpower. In 1982 a consultancy agreement had been concluded under which assistance totalling £300,000 was being given over three years for the development of the Agricultural Staff Training Centre at Sakha as a 'centre of excellence' in agricultural extension, crop production and agricultural mechanisation. Britain was providing a full-time resident adviser; a series of consultancy visits; training awards in Britain for staff from Sakha; specialist equipment, machinery and books; and a grant towards the cost of site improvements at the centre.

A significant part of Britain's contribution to alleviating world hunger was represented by the work of the Commonwealth Development Corporation (CDC) (see pp 190-1). Forty-nine per cent of the CDC's total commitment of over £700 million was in renewable natural resources and between 50 and 60 per cent of its new commitments each year went into this sector. The CDC had developed the nucleus estate and smallholder formula, allowing some 485,000 small farmers to make the transition from subsistence to cash crops; and projects in which it was involved covered over one million hectares throughout 49 countries.

Referring to the current drought in Africa, Baroness Young said that the evidence suggested that its effects were patchy, some countries having escaped altogether, or very lightly. Central and Southern Africa, including Botswana, Lesotho, Mozambique, Zambia and Zimbabwe, had been worst hit. East Africa, with the principal exception of Ethiopia, had escaped the worst effects, while in West Africa, Ghana and Mauritania were badly affected. Other factors such as animal diseases, pest infestation and lack of roads and transport had compounded the effects of the drought, while refugee problems were both a cause and a symptom of the difficulties faced by some countries.

In the current crisis, Britain had already provided approximately £500,000 of drought relief assistance to Ethiopia. In addition to the substantial relief it provided to Botswana in 1982, it had this year donated trucks for that country's emergency feeding programme. Over the last two financial years Britain had contributed towards an emergency airlift of food in Chad, provided transport to ferry relief supplies, and had also recently agreed to transport emergency food supplies presented to the United Nations Disaster Relief Co-ordinator for Chad by another donor. It had responded to a Red Cross appeal for transport and other items for an emergency feeding programme in Mauritania, and had provided transport for Zimbabwe's emergency feeding arrangements through non-government organisations working there. In addition to this disaster relief, Britain also did much under its normal bilateral programmes to counter the effects of such droughts.

Turning to the work done by British voluntary agencies, such as the British Red Cross Society, Voluntary Service Overseas, the Save the Children Fund and Christian Aid, in helping to reduce the misery brought by drought and hunger, Baroness Young said these agencies were able to meet needs which even the best designed and administered official programmes could not cope with. Their work, which the British Government was continuing to support through the aid programme under the Joint Funding[1] scheme, was not limited to disaster relief; they did much to encourage agricultural production and to bring long-term benefits. Britain was, for example, supporting with Action Aid a village project in The Gambia aimed at helping women to grow and market a variety of vegetables. In Andhra Pradesh in India it was supporting an Oxfam project which was providing advice and loans to a group of smallholders who were improving a stretch of previously uncultivated land. The British Government was convinced that this small part of the aid programme represented good value for money.

Shorter Note

WORLD BANK

Britain's subscription to the capital stock of the International Bank for Reconstruction and Development (IBRD – commonly known as the World Bank) has been increased, enabling it to take up a further 250 shares totalling the equivalent of $30,158,750. Britain is also making a special contribution of £105 million to the International Development Association (IDA) to help sustain the IDA's lending programme during its fiscal year 1984. Draft Orders relating to both these amounts were approved by Parliament on 12 July.

Introducing the Orders, the Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs, Mr Raymond Whitney, recalled that Britain had become a founder member of the World Bank in 1945 and its second largest shareholder. Since then, the Bank, originally designed to meet the immediate financial problems of those countries ravaged by the second world war, had changed its emphasis to meet the challenging needs of the world's developing coun-

[1]Under this scheme the Overseas Development Administration meets half the cost of selected development projects undertaken by voluntary agencies and aimed at improving conditions for the poor in developing countries.

tries. With a current membership of over 140 countries and an unrivalled accumulation of intellectual and technical resources, it had become the world's major international institution for development assistance, possessing first-hand knowledge of the whole range of developing countries' problems, and an operating experience that was second to none.

Britain, said Mr Whitney, strongly supported the Bank's adherence to the key and central aim of alleviating poverty, its concentration of resources in key sectors such as agriculture, rural development and energy, and the restriction of its lending capacity to low-income countries. The British Government noted with satisfaction the importance that the Bank attached to maintaining its extremely high rating in the world's capital markets and the strict observance of its role in supporting only developmentally sound projects. Above all, Britain welcomed the lead that the Bank was taking in conducting a dialogue with recipient countries to ensure implementation of appropriate local development policies.

The purpose of the IBRD (1979 Additional Increase in Capital Stock) Order 1983 was to enable the British Government to make a further subscription to the capital stock of the Bank of sums not exceeding the equivalent of $30,158,750, being the price set by the resolution of the Board of Governors in respect of 250 shares.

Turning to the International Development Association (IDA), Mr Whitney said the Government had always strongly supported this soft-loan affiliate of the World Bank which had been in existence since 1960 and which had a remit to help the poorest countries. The IDA's resources were provided through grants by the richer countries, usually pledged every three years in the form of internationally agreed replenishments. Some 65 per cent of IDA flows, all of which were interest-free and with a maturity period of 50 years, were going to Commonwealth countries and to Pakistan, the main focus being on agricultural and rural development projects. Other sectors attracting IDA credits were basic infrastructure, resource development and non-project lending.

The draft Order under consideration – the International Development Association (Special Contributions) Order 1983 – related to a British subscription for the IDA's fiscal year 1984 (1 July 1983 to 30 June 1984), which was the gap between the sixth replenishment, to which Britain had already contributed its share of £555 million, and the next replenishment. Delays to the United States contribution to the sixth replenishment, which was being phased over four instead of the three years allowed under that replenishment, had caused a shortfall in the funds available for new commitments in fiscal 1984. To help sustain the IDA's lending programme during fiscal 1984, therefore, special contributions were being sought through one of two mechanisms: a financial year 1984 account, which would be part of the general resources of the IDA, or a special fund which would for the time being be separate from the IDA's general resources. Britain intended to contribute £105 million to the financial year 1984 account by a promissory note to be encashed over a period of years, with costs being met as they occurred from sums voted for overseas aid.

Source: *Hansard*, Vol 45, No 19, cols 848-63.

Trade Union Democracy

The Government has published a consultation paper explaining its proposals for legislation to bring greater democracy to trade union elections, strikes and the political activities of trade unions.

Following consultations on its document on democracy in trade unions, published in January (see pp 65-7), the Government issued on 12 July a paper explaining the legislative proposals it intends to lay before Parliament in the autumn, to provide an opportunity for consultations on them. Introducing the paper in the House of Commons (*Hansard*, Vol 45, No 19, cols 773-86), the Secretary of State for Employment, Mr Norman Tebbit, said that there had been numerous detailed and thoughtful responses to the Government's original document from employers, employers' organisations and individual trade unions. These responses had 'confirmed that there is widespread concern about shortcomings in trade union procedures for elections and for consulting their members on major issues, particularly on strike decisions. There is undoubtedly widespread support for legislation to safeguard the rights of members in relation to their unions.'

The legislation would require elections to the governing bodies of trade unions to be secret and direct and to give each member an equal and unrestricted opportunity to vote. These principles, Mr Tebbit said, were not a legal straitjacket but 'the minimum necessary to ensure free, fair and democratic elections'. Within them trade unions would be free to constitute their governing bodies in the way they judged would best serve their members' interests and to decide on the form of ballots.

Consultations had shown continuing concern about the way in which strike decisions were taken and the Government therefore proposed that if a trade union ordered or endorsed industrial action by its members in breach of their contracts of employment without first consulting those members in a secret ballot, the trade union would lose immunity from the normal civil law consequences of its action. [Without immunity the trade union would be at risk of being sued for an injunction and its funds would be at risk of an action for damages.] This, Mr Tebbit said, 'will give the community more protection against irresponsible industrial action and provide new safeguards for trade union members themselves against being required to strike without their consent'. Mr Tebbit added that he expected in due course to consult on the need for industrial relations in specified essential services to be governed by 'adequate procedure agreements, breach of which would deprive industrial action of immunity'.

The Government accepted that a trade union should be able to adopt political objectives and to set up a political fund, but believed that the authorisation of a political fund should be subject to review by a periodic ballot of the membership. The present members of a trade union, Mr Tebbit said, 'should not be bound forever by a ballot that may well have been taken before any of them were born'. The Government therefore proposed that the Trade Union Act 1913 should be amended to require that political objectives and funds should be submitted to ballot at least every ten years. Mr Tebbit added that 'for some years there has been disquiet over the operation of the system for contracting out of the political levy' [that is, for not paying it]; the Government therefore intended to invite the Trades Union Congress to discuss the arrangements which trade unions themselves might make to ensure that their members were fully aware of their statutory rights and were able to exercise them freely and effectively. He hoped that the trade unions would be willing to take such steps, but that if that hope were disappointed the Government would be ready to guarantee a free and effective right of choice. It was abundantly clear, Mr Tebbit concluded, that 'trade unionists are now insistent that they should have a greater democratic voice in the affairs of their unions'; the Bill which he would be bringing forward would respond to that demand.

The Paper's Proposals

Trade Union Elections

The paper says that the Government proposes to introduce legislation which will require elections to the governing bodies of trade unions to be conducted in accordance with a number of basic principles, including the following: voting in secret and by the marking of a ballot paper; the equal

and unrestricted opportunity of every member to vote; and the right of every member to vote directly for the governing body.

These principles will not require the use of postal ballots in all circumstances, and balloting at the workplace (but not at meetings held at inconvenient times or places) could satisfy the tests. The principles will apply to the election of presidents and general secretaries only if they have a vote or casting vote in the governing body of their union, but not to elections below the level of the governing body. They will, however, exclude such practices as voting by a show of hands and the use of the block vote,[1] and they will not permit the election of governing bodies by the members of an intermediate body such as delegates to a national conference or members of a regional committee. Trade unions will remain able either to have separate constituencies (for example, on a geographical or an occupational basis) for seats on the governing body, or to provide for all members to have a vote in respect of all seats. It will be a requirement that the members of governing bodies should be elected or re-elected at least once every five years. The principles will come into effect one year after legislation is passed, to allow trade unions time to adjust their rules and electoral arrangements. Enforcement of these principles will be a matter for individual members of each union, acting either singly or in groups, by means of an application to the ordinary courts. The availability, under the Employment Act 1980 (see pp 21-3, 1980), of finance for postal ballots for trade union elections will continue.

Strike Ballots

In the case of industrial action which is 'authorised or endorsed' by a trade union (in accordance with the provisions of section 15 of the Employment Act 1982 – see p 79, 1982) immunity from civil legal action will be conditional on the support of the union members concerned being tested in a secret ballot. That is, when a trade union calls or endorses a strike (or any other industrial action in breach of contract), it will either have to ballot those of its members who are being called on to take the action in order to retain immunity (assuming that it is not unlawful on other grounds – for example, that it is not unlawful secondary action) or else accept that calling or endorsing such an action without a ballot forfeits immunity.

The legislation will not, the paper says, impose unreasonable or impractical obligations on trade unions. It will not require trade unions to hold ballots before unofficial or spontaneous strikes which they have not endorsed and which may be shortlived and involve only small numbers of strikers. Nor will it inhibit trade union officials from attempting to bring unofficial action to an end; on the contrary, only if the action is made 'official' will any question of loss of immunity arise. The legislation will not make immunity conditional on the result of the ballot. The Government does not believe that any trade union would persist with a strike call if it had been shown not to have the support of a majority of those directly involved. However, a ballot will ensure immunity only if all those who are being called on to take the industrial action have had an equal and unrestricted right to vote in a secret ballot on the specific question whether they wish to strike or take other action in breach of their contracts of employment.

The Government believes that this approach is the best means of providing unions with a powerful and direct inducement to hold ballots before calling strikes and that it is therefore the most effective means of extending union members' democratic rights in this area, while at the same time reducing the likelihood of irresponsible industrial action.

Political Activities of Trade Unions

The Government is committed to the principles of the Trade Union Act 1913 that trade unions should, if they so choose, be able to pursue their members' interests through political organisations, but that no trade union member should be obliged to support financially any political organisation against his or her wishes, nor should a member suffer so far as union membership is concerned by refraining from giving support. Responses to the consultative document issued in January have confirmed the Government's view that these principles are no longer adequately safeguarded. Under the 1913 Act trade unions are required to hold an affirmative ballot of their members only initially to authorise the setting-up of a political fund. The Government proposes that the continued operation of a political fund should be submitted to a ballot of the whole membership at least every ten years. This is necessary, the Government believes, to safeguard the right of successive generations of trade union members to determine whether or not their union has a political fund and engages in political activities.

It is also intended that the definition of 'political objects' in the 1913 Act should be brought up to date to cover expenditure on television, radio and other forms of publicity, on elections to the European Parliament and the printing of political literature.

The Secretary of State for Employment is inviting the Trades Union Congress to discuss the steps the trade unions themselves can take to ensure that their members are freely and effectively able to decide for themselves whether or not they contract out of the political levy.

[1]A system whereby the entire vote of a branch or region is cast for one side or the other. The decision on how to cast the vote is made by each branch or region under its own procedures.

Industry and Privatisation

The economic objectives and achievements of the Government's policy of privatisation were outlined by the Secretary of State for Trade and Industry, Mr Cecil Parkinson, on 24 June, in the course of the debate on the Queen's speech. Mr Parkinson told the House of Commons that after the prolonged and deep world

recession there were clear signs of economic recovery – including rising output and buoyant consumer spending and retail sales. He reaffirmed the Government's commitment to the world's open trading system and to Britain's continued membership of the European Community.

Introduction

Mr Parkinson (*Hansard*, Vol 44, No 7, cols 263-328) said that he took the opportunity at this early stage to describe the philosophy and policy of the new Department (see p 205) in areas which were crucial to the country's economic recovery. Since sales at home and overseas were 'two sides of the same coin' for many British companies, as they faced competition from foreign companies in both areas, 'the key to success in both markets is the same – competitiveness – so it makes little sense to distinguish between domestic and foreign trade in our departmental arrangements'. It was, moreover, 'important that government should speak to industry from a combined department with a single voice'. The new Department would 'be in an excellent position to stimulate competition in the British economy'.

Industrial Recovery

Among the signs of recovery outlined by Mr Parkinson were: the increase in gross domestic product (3 per cent higher than the low point in spring 1981); higher car production (up by 13 per cent in the six months to May); and increased housing starts (23 per cent higher than a year ago, with private starts the highest for ten years). A further sign of the upturn in Britain's economy was the decision of General Motors to invest £70 million in its Bedford commercial vehicle operations at Luton and Dunstable. Part of the investment was to introduce a new Bedford van based on a current Japanese vehicle, which would have 80 per cent local content at full production. This was 'another welcome sign of confidence in the United Kingdom economy'. State-owned industries were making rapid advances towards self-sufficiency, with both BL and the British Steel Corporation approaching break-even point in their operations. BL's Maestro (see pp 113-14) had had one of the best selling launches of any British car and Jaguar cars had made a remarkable recovery (especially in the United States). Britain's domestic car market had expanded in 1983, with British companies holding their share and even beginning to increase it. The current British car market was the 'biggest ever' and Britain now held the largest share that it had ever had, based not on protection but on 'better performance by British companies producing better goods. That is the way in which Britain's prospects world-wide will be improved'.

Economic Objectives

The control of inflation was the prime duty of any government, not least towards its industrial sector, Mr Parkinson continued. The current level of inflation, the lowest for 15 years, was an enormous benefit to industry because it reduced costs and helped competitiveness, reduced the pressure of wage demands and helped to improve industrial relations. Lower inflation also led to lower interest rates, which were currently down 7·5 per cent from their high point. This was worth more than £2,000 million a year to industry. If Britain was to improve its share of world trade, regain its reputation for quality and expertise in world markets, achieve higher employment, standards of living and welfare services, in addition to a better distribution of prosperity throughout the country, 'we must achieve higher productivity, higher efficiency and improved competitiveness throughout industry and commerce' to sustain the stability of economic recovery and growth that would make all these goals possible. The Government had a duty to keep to a minimum the burdens which it imposed on industry; the reduction in the National Insurance surcharge (see p 103) was worth a further £2,000 million a year to British industry. 'We are pledged to remove from liability to rates all empty industrial property, which will remove an unwarranted burden from industry . . . we shall also legislate to protect ratepayers, including industry, from the excesses of . . . local authority high spending, and to facilitate the paying of rates by instalments.'

With regard to Britain's policies for international trade, the Secretary of State said that Britain's fate was still inextricably linked to the future of the world's open trading system. 'Exports today still account for well over a quarter of our gross domestic product and nearly a third of our manufactured output. Few countries have as much to lose from a return to world protectionism as Britain.' The Government would continue to give the General Agreement on Tariffs and Trade (GATT – see pp 401-2, 1982) its firm support, as demonstrated by its clear commitment to the Williamsburg undertaking against protectionism (see p 193). Britain's continued membership of the European Community was also essential to the nation's future trading success and employment prospects at home.

Manufacturing industry continued to account for a significant proportion of Britain's total output and, despite the growth in services, must continue to occupy a central place in the country's economy. 'We need buoyant manufacturing output to satisfy home demand, to provide employment and to generate efforts to pay for the imports which both industry and private consumers need,' said the Secretary of State, because neither services nor even oil could conceivably generate sufficient overseas earnings to satisfy the country's import requirements. During the past four years British industry had increased its productivity considerably, and it was the Government's aim to ensure that this trend continued.

A vital element in company competitiveness was innovation. If British companies were to survive against foreign competition they would have to innovate and do so quickly. 'The Government's role is to make British industry aware of the new technologies and to encourage it to invest in new production techniques, in research and development into new products and processes, and in the development of both new and traditional products incorporating new technology.' Over the past few years a series of 'support for

innovation' schemes (see pp 132 and 210, 1982) had been built up to achieve these objectives. The Government was also responsible for a great deal of research and development (in the universities and the Ministry of Defence research establishments) and had to find ways of ensuring that industry in Britain 'exploits this work, and the spin-off from it, to the full'. The Government had reinforced its commitment to the industries of the future by its decision to go ahead with the Alvey programme for advanced information technology (see p 170). This would be the largest collaborative project of this sort ever undertaken in Britain, and would involve government, industry and the universities in the development of the technologies required for the next step forward in computing and electronics technology.

Another area of growth was that of self-employment and small businesses. By 1981, the last year for which figures were available, the number of self-employed stood at 2 million (9 per cent of the working population), the highest figure ever. The number of small businesses increased between 1980 and 1982 (even allowing for insolvencies) by more than 20,000. 'The Government are determined to build on the wide range of fiscal and other measures that are stimulating that small but important revolution. That sector of our economy holds the key to employment prospects. For that very reason it will continue to have the Government's determined support.'

Privatisation

The Government had taken important steps to spread the ownership of the country's industries more widely and had encouraged share ownership in private industry, making employee ownership schemes an essential part of all its denationalisation programmes. 'We are determined to carry on with that work because it is what employees want and the results have been extremely encouraging.'

In housing, the Secretary of State said, the Government had responded to the desire of millions to own their homes. 'Many of the 500,000 people who have bought their council houses have already made remarkable improvements to those properties. Pride of ownership is everywhere on display.' This was equally true of business, for 'over the past four years we have enabled an extra 500,000 people to own shares in the companies in which they work. The results have been remarkable. For instance, the National Freight Company's operating profit has been running at about double the rate that prevailed before it was denationalised.' In the companies which the Government had already privatised, over 90 per cent of the employees had chosen to buy shares in those companies for which they worked. The same philosophy lay behind the Government's intention to remove British Telecom from public sector control (see pp 270-1). The improvements in British Telecom's performance, management methods and responsiveness to customer needs were already evident after the limited steps taken in the previous Parliament to increase competition in telecommunications (see pp 404-7, 1982). 'Those measures have already stimulated the industry to throw off the accountancy and management methods inherited from its days as a government department and to develop management systems suited to a major industry operating at the frontiers of technology.' There was every reason to hope that British Telecom, freed from state control, would develop over the years into a major force in world electronics and information technology. The Government's proposals would have advantages for the telecommunications manufacturing industry. The removal of British Telecom's exclusive privilege and the creation of the Office of Telecommunications would ensure that firms could compete fairly to supply telephone services and telephone apparatus. A huge growth was expected in the telephone service industry, particularly in value added network services. In October 1982 the Department had issued a value added network services general licence, which permitted service providers to offer, for the first time and with the minimum of regulation, a wide range of competitive services over the public telecommunications networks – including electronic mailboxes, viewdata, and automatic ticket reservations. It was the first licence of its kind in the world and gave Britain the most liberal value added service regime in the world (see pp 364-5, 1982).

Conclusion

Mr Parkinson said that the Government's approach, which had been carried out by his predecessors and which he intended to continue, was helping to lead Britain to recovery. 'No one can doubt that the recovery has begun. Now is the time for us to hold to our course and ensure the benefits to Britain.'

Telecommunications

The Telecommunications Bill, which would remove British Telecom's exclusive privilege to run telecommunications systems in Britain and enable the Government to convert British Telecom from a public corporation into a company operating under the Companies Acts and provide for the disposal of shares, has received a second reading in the House of Commons. Other recent developments in telecommunications include the extension of teletext services (which can now be received on over 1 million television sets in Britain) and the announcement of plans for the world's first full-colour digital transatlantic business videoconferencing service.

TELECOMMUNICATIONS BILL

The Telecommunications Bill received its second reading in the House of Commons on 18 July (*Hansard*, Vol 46, No 23, cols 26-108) by 356 votes to 219, a majority of 137. The Bill is substantially the same as the Telecommunications Bill introduced in the previous Parliament (see pp

404-7, 1982), one of the Bills which had not completed all its parliamentary stages at the time of dissolution on 13 May (see p 187).

Main Provisions

The first part of the Bill would empower the Secretary of State for Trade and Industry to appoint a Director General of Telecommunications to keep under review and to promote the provision of telecommunications in Britain. The Director General would appoint the staff of the Office of Telecommunications. Clause 2 would abolish British Telecom's exclusive privilege of running telecommunications systems from a day to be appointed by the Secretary of State. The duties of the Secretary of State and the Director General in carrying out their functions under the second and third parts of the Bill are set out in clause 3. They would be required to exercise the functions in the manner best calculated to secure the provision of such telecommunications services 'as satisfy all reasonable demands for them including, in particular, emergency services, public call box services, ship-to-shore services and services in rural areas', and to 'secure that any person by whom any such services fall to be provided is able to finance the provision of those services'. Subject to this, the Secretary of State and the Director General would each have a duty to carry out his functions in a way best calculated to promote, among other things, the interests of users of telecommunications services or apparatus in Britain in respect of prices and the quality and variety of services provided and apparatus supplied; effective competition between those engaged in commercial activities connected with telecommunications; efficiency and economy; research and development; and the provision of international services by those operating telecommunications services in Britain.

In the second part of the Bill, clause 5 would require all telecommunications systems as defined, with certain exceptions, to be licensed and would make running a telecommunications system without a licence a criminal offence. Under clause 7 the Secretary of State, or the Director General with his consent, would be empowered to grant licences for the running of telecommunications systems, and clause 8 would make provision for licences to include certain conditions, including obligations to provide services and requirements to connect with other systems. Clauses 10 and 11 would allow the Secretary of State to authorise, subject to conditions and exceptions, telecommunications operators to use the Telecommunications Code in Schedule 2 (which would replace the Telegraph Acts 1863 to 1916) to install telecommunications apparatus. Clause 21 would enable the Secretary of State, or the Director General with his consent, to approve apparatus for connection to telecommunications systems and to designate standards to which apparatus must conform before being approved, although apparatus not meeting the standards might also be connected, subject to certain safeguards.

In the third part of the Bill, clause 45 would place a duty on the Director General to monitor and collect information on telecommunications, and to provide advice and information to the Secretary of State or the Director General of Fair Trading. It would also provide for the Secretary of State to give guidance to the Director General of Telecommunications on certain matters. Clause 49 would require the Director General to consider all representations (such as complaints) on telecommunications and would repeal the section of the British Telecommunications Act 1981 which obliged the Post Office Users' National Council (the consumer body dealing with posts and telecommunications) to consider such representations. Under clause 50 the Director General would be empowered to set up advisory bodies to assist in these functions and required to establish such bodies for England, Scotland, Wales and Northern Ireland.

Under the fourth part of the Bill all cable programme services, with the exception of those the Secretary of State might exempt by Order, would have to be licensed and it would be a criminal offence to provide such services without a licence or not in accordance with the provisions of a licence.

The fifth part of the Bill would provide for the future privatisation of British Telecom. Clause 56 would provide that, on a date to be determined by the Secretary of State, all property, rights and liabilities of British Telecom would become those of a successor company, and clause 57 would provide for securities of the new company to be issued or allotted to the Secretary of State; Treasury consent would be required for their disposal.

The sixth part of the Bill is concerned with amendments to the Wireless Telegraphy Acts, while the seventh part contains a number of miscellaneous clauses including clause 81 which would empower the Secretary of State to pay grants to meet part or all of the development costs of apparatus adaptable for use by the disabled.

Parliamentary Debate

Government View

Opening the debate, the Secretary of State for Trade and Industry, Mr Cecil Parkinson, said that it was 'difficult to exaggerate the importance of telecommunications to a developed economy such as Britain's'. New systems could provide 'better services to society, enhance business efficiency and improve competitiveness'. For a developed country such as Britain, it could be a major disadvantage to lag behind modern developments and the systems available to competing nations. Failure to seize the opportunities 'would deprive customers, whether private or commercial, of the benefits and lower costs that new technology brings'. There would be substantial market opportunities for British manufacturers, but competition would be intense. The Government considered it 'vital that our telecommunications industry be given the opportunity to develop as freely and as vigorously as possible'. The Bill would contribute towards that freedom, removing most of British Telecom's special privileges and allowing the company to take its place in the private sector. It

would give customers the choice between different suppliers of apparatus, different suppliers of services and, increasingly, different networks.

Mr Parkinson referred to some of the problems faced by the telecommunications sector of the Post Office as a monopoly supplier of most services and apparatus. To begin to tackle the problems, the British Telecommunications Act 1981 (see pp 14-16, 1981) had created a separate corporation, British Telecom, to operate telecommunications services. However, this had only been a first step and important problems remained as a result of British Telecom's position as a state-owned monopoly; in particular, there had been a major difficulty with funding future large-scale investment. For a number of years it had been impossible to accommodate such needs for finance within reasonable restraints on public expenditure. By removing British Telecom from the public sector, the company would be free to seek finance in the market, which would be of great importance in the years ahead when it needed large amounts of investment finance.

There were other reasons, Mr Parkinson continued, for wishing to remove British Telecom from state ownership. He said that the change in its ownership would maintain and increase pressure on it to adopt commercial and competitive practices. Privately owned telephone companies had been successful in other countries, notably the United States, where there had been a large expansion in telephone networks. As in the Government's plans for denationalising other sectors, one of the central aims was that employees should be able to buy shares, and in those companies which had been removed from the state sector, in general over 90 per cent of employees had become shareholders. The Government believed strongly that when British Telecom employees bought shares the company would 'feel the benefit of a better motivated workforce'. It wished to see 'a high proportion of customer-shareholders in the United Kingdom, together with a high proportion of employee-shareholders'.

The Secretary of State said that he was convinced that the change in British Telecom ownership would bring about a major improvement in its accountability. He wanted to establish this new accountability quickly by moving British Telecom into the private sector, and that was one reason for his decision against breaking up British Telecom before offering it for sale to the public. British Telecom had developed as a single integrated network and to separate local services from trunk services, as had been proposed, 'would be immensely complex and costly'.

Mr Parkinson noted some of the measures that had already been taken to improve competition. British Telecom's customers were benefiting from the opportunity to choose equipment from a variety of suppliers – over 100 new products were on the market bearing an approved label. The former Secretary of State for Industry had issued a licence for 'value added network services' (see p 365, 1982) so that for the first time a range of competitive services could be offered over the public telecommunications network. It had been the first licence of its kind in the world and already 46 service providers had taken advantage of the licence. The most important change had been the licensing of Mercury Communications (see p 86, 1982) to set up a new all-digital network to compete with British Telecom. Mercury was licensed to provide a full range of telecommunications services and had been 'the first competing network anywhere in the world to be allowed to provide international leased lines'. Two competing radio-telephone networks would also be licensed (see p 253, 1982, and p 39).

Mr Parkinson said that the Bill was the next stage in producing further liberalisation. It was a practical Bill and the Government had been prepared to consider seriously the representations and suggestions made on the previous Bill. As a result, the new Bill contained stronger safeguards for rural and other socially necessary services. Clause 3 listed 'all the vitally important social services which must be continued: the "999" emergency services, public call boxes, ship-to-shore services and services in rural areas'. In addition, the clause repeated the statutory duty for British Telecom to provide a national service, but extended that duty from providing a telephone service to providing telecommunications services, reflecting the Government's commitment 'to making modern telecommunications facilities and services available to all'. The Bill also contained new provisions to help the blind and other disabled people, and drew on the suggestions of the Littlechild Report (see pp 108-9) on regulating the monopoly that British Telecom would have in some services until competition developed fully. The Bill would repeal British Telecom's powers to license other operators and its special privileges, and replace the Telegraph Acts by a new Telecommunications Code, the guiding principle of which would be that 'no person should unreasonably be denied access to the telecommunications system'.

Mr Parkinson said that the Bill made as great a contribution as any government could make in legislation to stimulate enterprise and consumer choice in an area where there had been a monopoly for a long time. A range of new services would be opened up, both at work and at home. 'We offer the millions of British Telecom customers a newly enshrined set of rights and the benefits of competition and new technology. We offer British Telecom and its employees a brighter future as a world company in an area of high technology.'

Opposition Views

The chief Labour Party spokesman on industry, Mr Stanley Orme, said that the proposals in the Bill would affect one of Britain's major publicly owned industries which, for the past 70 years, had 'developed into an outstanding public, commercial and social service'. Over the past seven years British Telecom had made a profit and had not received any public subsidy. Investment was required but this 'could be found by removing the dependence upon the public sector borrowing requirement and extending the external finance limits'. In spite of the Secretary of State's assurances, he was unconvinced that the level and range of services available would continue. Market

forces would demand that a privately owned British Telecom would cut loss-making services or those that made only a little profit. Rural services, emergency services, call boxes and provision for the blind and the disabled had an uncertain future. He regretted that the Post Office Users' National Council would be abolished and its work handed over to a much smaller and less effective organisation. The experience of privatisation measures in other countries was far from reassuring. 'Faced with a new era of information technology, with British achievements as good as, if not better than, most in the world, it is tragic that an organisation such as British Telecom should be dealt such a devastating blow.' The Opposition remained 'firmly opposed to the Bill'.

For the Liberal Party, Mr David Penhaligon expressed fears for services in rural areas. Many people living in remote areas believed that British Telecom already discriminated against them; people living in urban centres, such as London, Birmingham and Liverpool, could call millions of subscribers on local call charges. 'If the Government had continued on a path of liberalisation, instead of introducing this Bill, they might well have given the first real hope to some of the remoter areas of the country, which have to compete against those urban centres.' He was disappointed with the Bill. The Secretary of State could put forward no argument for the Bill other than that it would increase competition, but members knew that the Bill would not introduce any additional competition for British Telecom.

Government Reply

In closing the debate, the Minister of State for Industry and Information Technology, Mr Kenneth Baker, noted that for the first time in any statute an obligation would be placed, on the Secretary of State and the Director General of Telecommunications, 'to take account of the needs of specific interests – the disabled, rural and remote areas, the provision of telephone kiosks and emergency services'. The Bill made substantial improvements in the protection of consumer interests. The Director General would have powers of direction, so that when consumers complained, he would be able to issue directions to the provider of the service to correct the error. No other consumer body in Britain had that power and authority.

The Bill would fulfil the Government's main objective, Mr Baker continued, 'the provision of up-to-date, efficient and cheap telecommunications'. This could be achieved only in a competitive market and the Bill would help to create such a market. The Bill was 'in the long-term interest of British Telecom, its employees, its customers and all who work in the telecommunications industry'.

TELETEXT

There are now over 1 million teletext television sets in use in Britain. Teletext systems allow the broadcasting of simple graphical information in the form of text and drawings to television receivers fitted with special adaptors. They enable viewers to select a display of 'pages' of information on the television screen; the system also allows subtitles to appear in conjunction with programmes, which is of benefit to the deaf and hard of hearing. Teletext is transmitted continuously while regular television programmes are broadcast and is freely available to anyone with a teletext set (which may be bought or rented). Both the British Broadcasting Corporation (BBC) and the Independent Broadcasting Authority have teletext systems, known respectively as CEEFAX (available on BBC 1 and BBC 2) and ORACLE (available on ITV and Channel 4). At the beginning of 1981 there were 100,000 teletext sets in use in Britain, but following a co-ordinated industry and trade campaign, which included 'national teletext months', the number rose rapidly to 300,000 at the end of 1981, 800,000 at the end of 1982 and to 1 million by early July 1983.

Speaking in London on 13 July, the Prime Minister, Mrs Margaret Thatcher, said that it was 'an important commercial triumph', but the significance of its success went further. It was one of the first products of the information technology revolution to have a mass market and paved the way for other new products based on the television set. With a substantial home market, British teletext was 'ready to make a vigorous attack on overseas markets and to consolidate and maintain the world lead it has earned'. A recent survey had shown that 98 per cent of teletext and viewdata installations throughout the world used British technology. The opportunity was there and must be taken.

VIDEOCONFERENCING

The opening in September 1983 of the world's first full-colour digital transatlantic business videoconferencing service was announced by British Telecom International on 26 July. The service is being established jointly with the American Telephone and Telegraph Company, which has filed an application for the service with the United States Federal Communications Commission. Initially the service will be available between British Telecom's Confravision[1] studio in London and various teleconferencing rooms in the United States. British Telecom International's chief executive for international business services, Mr Mike Ford, said that he was convinced that transatlantic teleconferencing would prove of great value to the business communities of Britain and the United States. It would be possible to hold a wide variety of business meetings, such as board meetings, sales meetings and planning sessions, using the new economical videoconferencing techniques.

Television pictures are already sent across the Atlantic many times a day, but the link capacity required (equivalent to about 1,000 telephone calls) makes the cost too high for regular business use. However, the new service uses digital techniques in which picture and sound signals are converted into on-off electrical impulses instead of being sent in the traditional wave form of analogue transmission. Research engineers at Brit-

[1]Confravision was started in 1971 as the world's first audio-visual conference service, enabling groups of people in studios in a number of cities to conduct face-to-face discussions.

ish Telecom's research laboratories at Martlesham Heath (Suffolk), in collaboration with workers in six other telecommunications administrations under a joint European research programme, have produced a new videoconferencing coder/decoder which makes it possible to send good-quality pictures on digital links operating at a level equivalent to only 30 telephone calls. The service will be carried by submarine cable and will be the first commercial use of TAT-7, the most recent transatlantic submarine cable, due to come into operation in early September.

British Telecom International is also planning to offer a second transatlantic videoconferencing service later in the autumn of 1983, in conjunction with Satellite Business Systems. This will use a satellite link across the Atlantic as well as a domestic satellite link by the latter company in the United States. In autumn 1983 British Telecom plans to start trials of videoconferencing within Britain using small low-cost terminals suitable for business premises.

Public Transport in London

The Government's proposals for reforming public transport in London, involving the replacement of the London Transport Executive by a new body, London Regional Transport, as a holding company with separate subsidiaries for bus and Underground services, were published in a White Paper on 26 July.[1]

In a statement on the White Paper in the House of Commons (*Hansard*, Vol 46, No 29, col 1051), the Secretary of State for Transport, Mr Tom King, said that the present system had served the public and the transport operators badly. Since 1970 costs in London Transport had risen substantially: public subsidy had risen thirteenfold and fares had doubled in real terms. In 1982 a report of the House of Commons Select Committee on Transport (see p 279, 1982 for publication details) had recommended that the improvement of transport facilities in London should be regarded as a national priority and that responsibility for transport should be removed from the Greater London Council (GLC). The Government had accepted this and the first step would involve reforming the London Transport Executive (responsible for operating bus and Underground railway services in Greater London and accountable to the GLC) into a new body, London Regional Transport, on the pattern of a holding company with separate subsidiaries for bus and Underground services. London Regional Transport would have a wider responsibility for securing efficient public transport for London and would also be required to encourage other private sector or publicly owned operators to provide services where they could be offered more efficiently and cheaply. New liaison arrangements between British Rail and London Regional Transport would be established to secure the maximum benefits from closer co-operation.

Mr King said that, while the Government's proposals for the abolition of the GLC (see p 215) would, in any case, have required new arrangements for transport, these proposals were right in transport terms. They would end the inefficient arrangements under which British Rail and London Transport served two different masters. The new arrangements were 'designed to improve efficiency and to get a better deal for the London traveller'.

WHITE PAPER

Background

The White Paper says that the current arrangements, established in the 1960s, have not worked well. Changes in political direction at the GLC had deprived London Transport of stability and the chance to plan on a proper long-term basis. Over the past two years the users of London Transport have experienced substantial cuts in fares, followed by a doubling of fares, followed by further cuts. 'The traveller and the ratepayer have had to pay for these experiments by the GLC and for the high costs of the bus and Underground services, which have risen steeply in real terms.' The House of Commons Transport Committee concluded that a better deal was needed for the consumer for the money available and that the responsibility for public transport in London should be transferred from the GLC to a wider metropolitan transport authority. 'The Government accepts that the case for change is now compelling. It believes that new arrangements are needed to secure the cost-effective delivery of services from both the public [sector] and the private sector.'

The Role of Public Transport

The White Paper says that the quality and performance of public transport in a capital city, especially one the size of London, has a crucial part to play in its general prosperity and the quality of people's lives. It notes the complexity of transport movements and requirements in London and, although most journeys ta. › place by car, public transport also plays a fundamental role. Public transport accounts for one-third of vehicular journeys by London residents and is a normal means of getting to work for half of those working in London, compared with less than one-third of those working in other large towns and cities in Britain. Every working day some 7 million journeys are made on London Transport and British Rail services in the London area, half of them to and from work. London's Underground system, the largest of its kind in the world, caters for some 500 million journeys a year on a network of 240 route miles (386 kilometres). British Rail's London and South East sector handles over 400 million journeys a year, well over half of all British Rail passenger journeys, on a network of over 2,000 route miles (3,200 kilometres), serving a population of 17 million. London Transport's bus operations cover more than 1,700 miles (2,700 kilometres) of road and cater for over 1,000 million journeys a year. London Country Bus

[1] *Public Transport in London*. Cmnd 9004. HMSO, £1·90. ISBN 0 10 190040 6.

Services (part of the National Bus Company) provides bus and coach travel for a further 25 million journeys a year within Greater London.

The pattern of demand has changed with the growth in car ownership and a fall in the use of public transport. Between 1971 and 1981 the number of private cars and vans licensed in Greater London rose by 15 per cent, while the population fell by 10 per cent, to 6·7 million. Travel on British Rail's London and South East services remained fairly steady, but travel on the buses fell by 27 per cent and on the Underground by 17 per cent.

The Government shares the view of the Select Committee that new and better arrangements to overcome the problems which have arisen are imperative. It accepts the report's first recommendation that the Government 'should henceforth regard the improvement of transport facilities in London as a matter of national priority'. The Select Committee had also found that the GLC had discharged its responsibilities on roads and traffic management in an unsatisfactory way and concluded that a major reallocation of responsibilities was needed. 'The Government shares this view, but believes that the size, complexity and importance of London's public transport are such that the body responsible for it should have public transport as its sole remit.'

London Regional Transport

The White Paper says that the Government has decided that control of the London Transport Executive should be transferred as soon as possible from the GLC to the Secretary of State for Transport. It would then be reconstituted on the pattern of a small holding company, with its bus and Underground operations established as separate subsidiaries, and would be renamed London Regional Transport, with responsibility for the strategic control of its operating subsidiaries and for securing the cost-effective provision of bus and Underground services from these and other operators. London Regional Transport would have four initial tasks: to improve bus and Underground services within the resources available and make them more attractive to the public; to reduce costs and secure better value; to involve the private sector in the provision of services and to make better use of publicly owned assets; and to promote better management through smaller and more efficient units, with clear goals and measurable objectives. The company's plans would have to be formulated in the context of the wider economic and social aims for London and would also have to be compatible with the land use strategies for London. Proposals for the reallocation of road and traffic responsibilities and for strategic planning arrangements for London following the abolition of the GLC will be set out in a White Paper later in 1983.

New arrangements would be introduced to provide the necessary financial support. As with British Rail, grant would come direct from the Secretary of State for Transport, replacing the present system under which the GLC levies a precept on the London boroughs for the ratepayers' contribution towards the cost of London Transport. Discussions would be held with the London boroughs which would take over from the GLC responsibility for granting concessionary fares.

Relations with British Rail

The White Paper says that British Rail's commuter services also need to be run within clear objectives and tight financial disciplines. Joint action will be required to eliminate wasteful duplication between British Rail and London Regional Transport, to make services more attractive and travelling easier for the public, and to cut costs. The Secretary of State would set up new liaison arrangements with British Rail and with London Regional Transport for this purpose. The Select Committee had considered that it might eventually prove desirable to transfer the support of British Rail's London commuter services to the authority responsible for London's bus and Underground services. Accordingly, the Government proposes to take reserve powers that would enable it to extend the responsibilities of London Regional Transport if experience shows that a more formal structure is needed.

Consultation

The Government believes that the first steps necessary to establish London Regional Transport and to set up the new liaison arrangements are now urgent. The White Paper has therefore been published at the earliest opportunity as a basis for consultation. Although the principles on which the Government intends to proceed are clear, there are many detailed aspects on which it wishes to have the views of those concerned. It is inviting the views of interested parties as soon as possible so that they may be taken into account, both in framing the details of the legislation required and in agreeing with those concerned the arrangements associated with setting up London Regional Transport and 'providing an efficient, effective and convenient public transport system for London'.

Shorter Notes

FINANCE (NO 2) ACT 1983

The Finance (No 2) Act 1983 received the Royal Assent on 26 July. It restored the major tax reliefs which were announced in the Budget (see pp 132-5) but, because of the general election in June, omitted from the Finance Act 1983 (see p 205).

Thresholds for higher rates of income tax, the starting point for the investment income surcharge, the limit for mortgage interest relief, the profits limits for corporation tax and the thresholds and bands for capital transfer tax have all been adjusted to conform with the original proposals.

Earlier, on 23 June, the Chancellor of the Exchequer, Mr Nigel Lawson, had announced that

the provisions relating to oil assets would be contained in a new oil taxation Bill to be introduced in the autumn.

Sources: *Hansard*, Vol 45, No 15, cols 283-370; Vol 44, No 6, written answers, col 5.

THE STOCK EXCHANGE

The Secretary of State for Trade and Industry, Mr Cecil Parkinson, made a statement about the Stock Exchange to the House of Commons on 27 July.

A case had been brought by the Director General of Fair Trading against the Stock Exchange in the Restrictive Practices Court under the Restrictive Trade Practices Act 1976 (see p 380, 1976). However, Mr Parkinson told the House that government ministers had for some time been concerned that a court action of this kind might not be the best way of dealing with the matter. While proceedings were pending it would be difficult for the Stock Exchange to make the changes necessary to enable its members to compete for world-wide business; there was also a danger that legal proceedings within the framework of the Act might damage the effective operation of the Stock Exchange, 'which remains essential to the working of our economy'. The Government therefore wished the matter to be settled out of court if the Stock Exchange, for its part, were able to make acceptable changes.

The chairman of the Stock Exchange, following discussions with the council, had submitted three proposals to the Secretary of State. First, the council would, by the end of 1986, dismantle all the provisions for minimum scales of commission on dealings; secondly, the rules prescribing separation of capacity of brokers and jobbers would continue;[1] thirdly, the council would introduce rules to permit non-members to serve as non-executive directors of limited corporate members of the Stock Exchange subject to the majority of directors being members of the Stock Exchange.

The Secretary of State welcomed these proposed changes as they 'would enable the Stock Exchange to continue to adapt in an evolutionary manner to changing circumstances while maintaining proper regard for the needs and protection of investors'. The next step would be for the membership of the Stock Exchange to approve the necessary changes in the deed of settlement and for the Department of Trade and Industry and the Bank of England to monitor the implementation of the measures. The Government would then seek parliamentary approval to exclude the Stock Exchange from the Restrictive Trade Practices Act 1976.

Source: *Hansard*, Vol 46, No 30, cols 1194-5.

[1]Securities on the Stock Exchange are bought and sold through brokers; they deal directly with jobbers, who make a market in securities. The Government's view is that, in order to safeguard the position of investors, the separation of the functions of brokers and jobbers should continue for the time being in its present form.

LLOYD'S INSURANCE MARKET

At its meeting on 18 July the Council of Lloyd's, the London insurance market, approved a draft by-law on disclosure of interests by underwriting agents. The draft by-law specifies, among other things, that interests should be recorded on registers which can be inspected by those for whom an underwriting agent is acting (the 20,000 or so members of underwriting syndicates, known as 'names', whose extensive financial resources provide the security inherent in a Lloyd's policy) and that the same information should be held on a central register open for public inspection.

The Council has also established a new standing committee – the Rules Committee – to oversee and co-ordinate all the task forces and working parties involved in researching areas requiring regulation and, with direction from the Council, to exercise control over the drafting of by-laws, regulations and codes of conduct.

Source: Lloyd's press notice, 19.7.83.

TRADE POLICY

The Secretary of State for Trade and Industry, Mr Cecil Parkinson, announced in the House of Commons on 29 July that the Government had commissioned a study of the implications for the British economy of international trading policies on textiles and clothing. The study, expected to be published in early autumn 1984, is to be undertaken by Professor Aubrey Silberston and will examine the barriers faced by British exports and the effects on the British textile and clothing industries of restraints on low-cost imports. Mr Parkinson said that the study would assist the Government in international discussions covering trade in this sector which would occur particularly in 1984. Next year would also see a major review of the Multi-Fibre Arrangement (MFA) (see p 38) and the expected completion of the examination by the General Agreement on Tariffs and Trade (GATT) of the impact of restraints on trade in textiles and clothing (see pp 401-2, 1982). It was important that Britain was as well prepared as possible for the discussions in the European Community that would take place before and during the GATT examination.

According to a Department of Trade and Industry study published on 1 August, only 7 per cent of Britain's visible imports in 1980 were subject to non-tariff restraints. These restraints included agricultural levies, minimum import prices for steel products, the MFA and various voluntary and formal restraint arrangements. The study points out that there has been an increase in imports allowed into Britain duty-free and, at the same time, a lowering of average tariffs. In 1960 about 40 per cent of imports of manufactures were allowed into Britain duty-free and the average incidence of tariffs on dutiable manufactured imports was about 18 per cent. By 1980, however, 80 per cent of imports of manufactures were

allowed in duty-free and the average incidence of tariffs on the remainder was about 9 per cent.

The study also shows that, in 1980, only 17 per cent of British visible imports were subject to tariffs. As some of the imports subject to non-tariff restraints were also subject to tariffs, it is likely that only about 22 per cent were subject to either tariff or non-tariff restraints.

Sources: *Hansard*, Vol 46, No 32, written answers, cols 740-1; *Visible Imports Subject to Restraint*, available free from Civil Service College, 11 Belgrave Road, London SW1V 1RB.

FAIR TRADING ANNUAL REPORT

The activities of the Office of Fair Trading – a government agency responsible for protecting the interests of both consumers and businessmen against unfair trading practices – are described in the annual report for 1982 which was published on 6 July.

The Director General of Fair Trading, Sir Gordon Borrie, points out that, while self-regulation adopted by traders and providers of consumer services may often be effective in raising trading standards and curing consumer problems, it is not always a substitute for law. Self-regulation works well in many areas and, according to Sir Gordon, can provide an even better safeguard to the public than legal sanctions. Nevertheless, legal regulation is needed in those areas where self-regulation proves inadequate in protecting the consumer. Sir Gordon notes that 20 codes of practice have been voluntarily adopted by trade associations covering a variety of industries. However, he sees self-regulatory codes as having two main weaknesses: first, they cannot be enforced against non-members; secondly, they are difficult to enforce even against members. In deciding between legal enforcement and self-regulation, he argues that efficiency, effectiveness, common sense and special knowledge ought to be the determining factors.

The Fair Trading Act 1973 (see pp 41-2, 1973) empowers the Director General to take action against traders who can be shown to be persistently acting unfairly towards their customers. The first step is to obtain from the trader a written assurance that he or she will stop specified unfair or illegal practices. In 1982, a record number of 54 assurances were obtained (compared with 48 in 1981), making a total of 348 since 1973.

Under the Consumer Credit Act 1974 (see pp 176-7, 1974) licences are required for the various business activities of the consumer credit and hire industry. Applications during 1982 to the Office for consumer credit licences totalled over 15,000 – an increase of almost 15 per cent over the 1981 total. Since the start of licensing in 1976, nearly 130,000 licences have been issued.

During 1982 the Director General considered and gave advice to government ministers on 190 mergers (other than newspaper mergers) which came within the scope of the Fair Trading Act. The 1981 figure was 164.

Source: *Annual Report of the Director General of Fair Trading 1982*. HMSO, £6·95. ISBN 0 10 202084 1.

FREEPORTS

The Government has specified the criteria according to which applications to set up a limited number of freeports will be assessed. On 27 July the Minister of State at the Treasury, Mr Barney Hayhoe, announced that the Government had accepted the recommendations of a working party on freeports (see p 112) that the locations for their experimental establishment should be determined by evidence of trader demand and potential economic viability.

Seven main considerations are offered for the guidance of potential site operators. First, they must be able to provide evidence of substantial demand for a freeport. Secondly, they must be able to demonstrate that financing the investment, development and promotion of the proposed freeport will not require additional funding by central government. Thirdly, the suggested site must be an identifiable and self-contained area within or near a port or airport and capable of being controlled adequately by the Customs and Excise. Fourthly, the number of exits should be kept to a minimum and should not, in principle, exceed two. Fifthly, controls on planning, health and safety, and pollution will apply in freeports as elsewhere. Sixthly, national prohibitions and restrictions on imported goods must be observed in freeports. Lastly, designation of freeport status will be subject to review five years after a site becomes operational.

Potential operators are being asked to include evidence based on these guidelines. Legislation will be introduced as soon as possible to allow selected areas to be designated.

Sources: *Hansard*, Vol 46, No 31, written answers, cols 451-3; HM Treasury press notice, 27.7.83.

SCIENCE, TECHNOLOGY AND INDUSTRY

Key issues in Britain's science and technology policy are identified in the first joint report of the chairman of the Advisory Council for Applied Research and Development, Sir Henry Chilver, and the chairman of the Advisory Board for the Research Councils, Sir Alec Merrison.[1] The report stems from government observations on the report, *Science and Government*, of the House of

[1] *First Joint Report by the Chairmen of the Advisory Council for Applied Research and Development (ACARD) and the Advisory Board for the Research Councils (ABRC)*. Cmnd 8957. HMSO, £3·15. ISBN 0 10 189570 4.

Lords Select Committee on Science and Technology (see p 260, 1982).

The report affirms the central place of both basic and applied science in a modern industrial economy such as that of Britain. After setting out the principal features of the British economy – the decline in manufacturing as a source of both employment and trade and the rise in service activities – it summarises the national pattern of research and development expenditure: comparable with that of other countries as a proportion of gross national product, but smaller in absolute terms than that of Britain's main competitors and containing a higher proportion on defence research and development. The key issues in science and technology policy are identified as: selectivity in basic and applied science (towards those areas that will be most productive in scientific or economic terms); international collaboration (deciding when resource constraints should compel Britain to collaborate with other countries in basic or applied science); stable co-operation between government and industry (over a reasonable period of time); a receptive market (to be fostered, for example, by public sector purchasing); and the climate for innovation (the need for more to be done to link new ideas with their potential exploiters). The report also refers to the need for good design, the application of research and development to the service industries and to changes in the education system to make it more responsive to the needs of employers.

General Household Survey

A decline in the number of households without the use of a fixed bath or shower from 9 per cent in 1971 to 2 per cent in 1981 is recorded in the General Household Survey for 1981, published on 30 June.[1] The survey also found that nearly a quarter of the adults interviewed had done some voluntary work during the year. A preliminary report from the 1982 survey shows a substantial fall in cigarette smoking.

The General Household Survey, which has been running since 1971, is a continuous survey based on interviews with a sample of about 24,500 adults resident in private households in Great Britain (that is, England, Wales and Scotland). Within the five main subject areas – population, housing, employment, education and health – basic information has been collected throughout the life of the survey, and data showing trends over the period from 1971 to 1981 are available. Two completely new topics dealt with in the 1981 survey are an investigation into the prevalence of tinnitus (the sensation of hearing noises in the ears or head) and a survey of participation in voluntary work.

Household Size

The average size of households declined over the 1970s, from 2·91 in 1971 to 2·67 in 1979. Between 1979 and 1981 there seems to have been a very slight increase to 2·69. In 1981, 22 per cent of households consisted of one person compared with 17 per cent in 1971, while the proportion of households with six or more people declined from 6 to 4 per cent over the period.

Housing

Access to basic housing amenities increased throughout the 1970s and by 1981 only 2 per cent of households lacked the use of a fixed bath or shower, compared with 9 per cent in 1971. Similarly, the proportion of households without access to an indoor flush lavatory had fallen to 2 per cent in 1981 from 10 per cent in 1971. Although private tenants were still less likely than owner occupiers or local authority tenants to have sole use of these basic amenities, it was in that sector that the greatest improvement occurred. In 1981, 81 per cent of privately renting households in unfurnished accommodation had sole use of a bath or shower compared with 55 per cent in 1971, while 54 per cent of those renting private furnished accommodation had this amenity, compared with 43 per cent in 1971.

By 1981 almost three-fifths of households had central heating. The overall increase in the proportion of households with some form of central heating, from 55 per cent in 1979 to 59 per cent in 1981, is accounted for by an increase from 32 to 37 per cent of those with a gas-fired system. The proportion of those with central heating using other kinds of fuel either remained the same or fell slightly during the same period.

The most marked feature in tenure patterns over the period from 1971 to 1981 was the growth of the owner-occupied sector, principally accounted for by an increase in the proportion of people with mortgages. In 1971, 49 per cent of households were owner occupiers, including 27 per cent who had mortgages. By 1981, 54 per cent were owner occupiers and the proportion with mortgages had risen to 31 per cent. The proportion of households living in accommodation rented from a local authority or new town corporation also rose steadily from 31 per cent in 1971 to 34 per cent in 1979, but after that remained static; in 1971, 12 per cent were renting unfurnished accommodation from a private landlord, but by 1981 this proportion had fallen to 6 per cent. The proportion of households renting private furnished accommodation remained static for most of the period, but declined from 3 to 2 per cent between 1980 and 1981.

Consumer Durables

Between 1979 and 1981 there was almost no increase in the proportions of households with those durables that had already achieved the most widespread penetration – television sets, vacuum cleaners and refrigerators – each of which in 1979 was available to over 90 per cent of private households in Great Britain. However, ownership of telephones and deep freezers continued to increase over the same period. In 1979 just over two-thirds of private households had a telephone, but by 1981 this proportion had increased to three-quarters. By 1981 nearly half of all households owned a deep freezer or a fridge freezer, and about four-fifths had a washing machine (two-fifths and three-quarters respectively in 1979). Ownership of tumble driers (which, apart

[1] *General Household Survey 1981*. HMSO, £11·70. ISBN 0 11 690982 X.

from dishwashers, was the least frequently owned item of domestic equipment) increased markedly from 19 per cent in 1979 to 23 per cent in 1981. The proportion of households with a dishwasher, however, remained virtually unchanged, at 3-4 per cent, since 1978 when dishwashers were first included in the survey.

Although there was little increase over the period from 1972 to 1981 in the proportion of households with television, there was a marked increase from 1976 in the proportion with colour television. Between 1978 and 1981 the proportion of households with colour television increased by more than a fifth, from 61 per cent to 74 per cent. Ownership of both a black-and-white and a colour set also became more common, rising from 3 per cent in 1978 to 17 per cent in 1981.

The increase in the availability of cars for private motoring was comparatively slow and in 1981 two in five households still did not have use of a car. Over the period from 1971 to 1981 the proportion of households with a car rose from 53 per cent to 59 per cent.

Employment

Among men, the most noticeable trend is the decline from about 1975 onwards in the economic activity rate (that is, the proportion who are either working or seeking work) of those aged 60 or over, reflecting an increase in early retirement. There was a similar decline in the economic activity rates of single women aged 60 or over, although these rates showed rather more fluctuation. Overall, the economic activity rates for men and single women below state retirement age were lower in 1981 than in 1971. For married women, however, the opposite is the case. In 1971, 50 per cent of married women aged 16 to 59 were economically active and this proportion rose to 62 per cent by 1979, falling only slightly, to 61 per cent, in 1981.

In 1981 about 3 per cent of all workers had second jobs, that is, had another paid job or business in addition to their main job during the week before the interview (the most remunerative job held during the week being taken as the main job). This figure has changed little since 1971, but there is some evidence to suggest that the survey may underestimate the proportion of people with second jobs. In 1981, 41 per cent of the men and 32 per cent of the women were self-employed in these jobs, compared with only 12 per cent and 6 per cent respectively in their main jobs. While only 47 per cent of men's main jobs and 77 per cent of women's were in service industries, 86 per cent of men's second jobs and 92 per cent of women's were in these industries.

Employment and Education

The 1981 survey shows that there was a positive association between the level of qualification attained and the likelihood of being in employment, the more highly qualified groups having higher proportions working than the groups with lower or no qualifications. For both men and women it was among the under 30s that possession of a qualification below GCE 'A' level (the highest level of secondary school examination), as opposed to no qualification at all, made the greatest difference to the probability of being in work. For example, in the 20 to 29 age group 89 per cent of men whose qualifications were lower than GCE 'A' level were working compared with only 71 per cent of men with no qualifications at all; for women in this age group the corresponding figures were 63 per cent and 39 per cent.

Although women were less likely to have high-status jobs than similarly qualified men, the status of women's jobs appeared to be influenced by the kind of education they had received to a greater extent than did that of men's jobs. Among the economically active aged 25 to 69 more than 20 times as many women with a university education as women without had professional occupations (21 per cent compared with less than 0·5 per cent). Among men, those who had been to university were only 14 times more likely than those who had not to be in professional occupations (42 per cent compared with 3 per cent).

Voluntary Work

Questions on voluntary work (defined as any unpaid work which was of service to other people apart from immediate family and friends) were asked for the first time in 1981. Nearly a quarter of the adults interviewed had done some work of this kind during the twelve months before the interview. Participation rates were rather higher for women (24 per cent) than for men (21 per cent) and were highest among people aged 35 to 44, of whom 30 per cent had taken part in some voluntary work. The higher their socio-economic group the more likely people were to have participated in voluntary work, 43 per cent of people in the professional group but only 13 per cent of those in the unskilled manual group having done so. There seemed to be no simple association between taking part in voluntary work and having time to spare; only 16 per cent of unemployed people had done voluntary work and people with dependent children were more likely to have done so than people without. The kinds of activity undertaken most frequently were fund-raising and giving practical help to individuals. Fund-raising included organising or helping at events such as raffles, jumble sales or fêtes. Practical help involved, for example, helping neighbours by doing odd jobs, shopping or gardening.

Cigarette Smoking: Preliminary Figures from the 1982 Survey

Preliminary figures on cigarette smoking from the 1982 General Household Survey were issued on 5 July.[1] They show that 38 per cent of men and 33 per cent of women were cigarette smokers in 1982, indicating a substantial fall from 1980 levels in the proportion of adults who smoke. Among men the decline continued the trend evident throughout the previous decade. In 1972, 52 per cent of men aged 16 and over smoked cigarettes; by 1980 this had fallen to 42 per cent, and the further fall to 38 per cent in 1982 meant that during the period covered by the survey the

[1] *OPCS Monitor* GHS 83/3. Available free from the Office of Population Censuses and Surveys, St Catherine's House, 10 Kingsway, London WC2B 6JP.

proportion of men smoking had fallen by over a quarter. Among women, the decline in the proportion smoking from 37 per cent in 1980 to 33 per cent in 1982 was the first major reduction since 1976. Over the decade as a whole the prevalence of cigarette smoking among women fell by about one-fifth.

Between 1980 and 1982 there was a decline in weekly cigarette consumption per male smoker, continuing the trend of falling consumption among male smokers begun in 1978, which followed their increase in average consumption between 1972 and 1976. In 1982 average weekly consumption per male smoker was virtually the same as it had been in 1972. Among women smokers there was a reduction in average consumption between 1980 and 1982, the first time such a fall had been recorded. However, women smokers' average weekly cigarette consumption was still about 12 per cent higher in 1982 than it had been a decade earlier.

Developments in School Education

In a speech about improving standards in schools, the Secretary of State for Education and Science, Sir Keith Joseph, referred to the Government's proposal for Education Support Grants to encourage new initiatives; progress towards the development of common curricula in primary and secondary schools and in individual subjects such as mathematics; and efforts to improve the system of examinations taken at 16 plus. The Secretary of State also stated the need for a wider partnership involving not only local education authorities, but also school governors, local advisers, parents, teachers and head teachers. The Government has also announced proposals to give parents the right to have their children exempted from corporal punishment in maintained schools in England and Wales.

A Programme for Joint Action

Speaking to the Council of Local Education Authorities in Canterbury on 15 July, Sir Keith referred first to the question of finance, and said that it was the joint responsibility of his Department and local authorities to ensure that there were adequate funds for maintained schools. Reports had shown, however, that in some areas it would be possible to make better use of the available resources.

It was also the duty of the Secretary of State to identify and promote those changes which were desirable and timely. The Government had already found £2 million a year for development projects to improve what schools offered to low-attaining secondary pupils; it had introduced a new scheme of grants for the in-service training of teachers; and the Technical and Vocational Education Initiative (see pp 415-16, 1982) would be coming into operation in the autumn of 1983. These initiatives would significantly increase the effectiveness of the education service in the long term. More needed to be done, however, and he had announced the introduction of an Education Support Grants scheme, enabling a small percentage of total education spending to be directed into certain priority subjects. This would encourage new initiatives in the national interest, and represented a limited shift in the balance of influence between central and local government.

Partnership in the Curriculum

The British education system, said Sir Keith, did not prescribe from the centre either what was to be taught or the methods by which it was to be taught. Local education authorities were free to experiment and innovate. Public education, however, needed to offer the same broad opportunities for learning to all pupils wherever they went to school, and it was, therefore, highly desirable that there should be broad agreement about the school curriculum. He intended to review progress made in following up the guidance given in the policy statement *The School Curriculum*, issued by the Government in March 1981 (see pp 124-5, 1981). Concern for the curriculum should extend not only to the secondary but also to the primary phase, for it was during the primary years that the foundations of good education had to be laid. Moreover, the development of each subject had to be considered. The Government and the local authorities should develop a common approach to various subject areas and aspects of the curriculum in both primary and secondary schools. In mathematics, for example, a common approach was already emerging. History should also be in the curriculum at all levels of ability, since it gave pupils a chance to understand their own country and its place in the world and to grasp some aspects of cause and effect.

It was generally agreed that what was taught needed to be more obviously applicable to the real world that young people saw about them. An example of this approach had been the Technical and Vocational Education Initiative, but the approach needed also to colour the primary curriculum, teacher training and examinations. Policies on the school curriculum must be supported by the school examinations. The Secretary of State, together with the Secretary of State for Wales, was therefore considering the national criteria for the examinations taken at 16 plus, and obtaining the advice of the recently appointed Secondary Examinations Council. It was generally accepted, however, that examinations were not and could not alone be an adequate record of pupils' achievement at school. A system of records of achievement, available throughout the ability range, needed to be developed. They should throw light not only upon the pupils' academic performance but also upon his or her character, self-discipline and conduct towards others. He intended to issue a statement of policy on the subject.

A Wider Partnership

The partnership in education, said Sir Keith, should not, however, simply be between the Secretary of State and the local education authorities. School

governors, for example, were members of this wider partnership. The law gave the governors of maintained schools wide responsibilities, and although many of these were delegated to the head teacher and staff, the school system worked best when governors took their responsibilities seriously. The Education Act 1980 (see p 94, 1980) envisaged that there would be a separate governing body for each school with elected parent and teacher representatives, and he would be putting forward proposals for bringing this part of the Act fully into force.

Local advisers were people whose contribution to the school system was not always fully appreciated. The local advisory service could help local education authorities to raise standards and improve schools and colleges.

Parents too, said the Secretary of State, were partners. He was convinced that the education service would benefit from improved arrangements, laid down in the 1980 Act, for helping parents to secure the school of their choice; for the supply of better information for parents about schools; and for greater participation by parents as school governors. The recent decision to publish Her Majesty's Inspectorate reports of formal inspections of schools would also help to give parents further information. He hoped that schemes linking parents and schools would become more common.

Another set of partners, said Sir Keith, were the teachers, and the quality of the teaching force was the single most important influence upon the standard of education. There had recently been important developments; new teachers now had to be graduates, and from September 1984 all would be required to have O-level passes in English and Mathematics or to have attained an equivalent standard. The Government was focusing on the content, relevance and quality of teacher training courses, and had set out its principles for improvement in the White Paper, *Teaching Quality*, published in March (see p 117). Another priority was in-service training: teachers needed to refresh themselves and become familiar with new developments, such as the use of micro-computers. A period away from the classroom often justified itself tenfold when the teacher returned. A separate problem was that the present arrangements for pay and promotion sometimes undervalued the contribution of dedicated teachers. A salary system more closely geared to teaching performance was needed, as were improved arrangements for assessment.

Head Teachers

The head teacher of a school, said Sir Keith, set the school's tone and standards. The job was demanding, and required rare qualities of resourcefulness, tact, vision, dedication and stamina. A report on the selection of secondary head teachers, commissioned by the Department of Education and Science, had recently been completed. In-service training for head teachers was also important, and a development project had been established to develop more and better training programmes across the country.

Corporal Punishment in Schools

In a consultative paper issued on 28 July, the Government has announced proposals to give parents in England and Wales the right to have their children exempted from corporal punishment in maintained schools. It has decided that corporal punishment should not be abolished, because many parents and teachers favour its retention.

The decision follows a judgment by the European Court of Human Rights, which ruled, in a case brought against the United Kingdom by two British parents, that when a parent holds a conviction against punishment of this kind, it amounts to a philosophical conviction which must be respected by the State.

The Government is considering reactions to various schemes put forward in the consultative paper for applying the exemption system, before proceeding to legislation. Similar proposals are to be made in Northern Ireland but not in Scotland, where it is planned to phase out corporal punishment in maintained schools by the end of the academic year 1983-84.

Race Relations

The Government's concern for good race relations in Britain and its opposition to discrimination on any grounds have been emphasised by the Home Secretary on a visit to Bradford. The work of the Commission for Racial Equality to reduce discrimination and the action taken by other public bodies and a variety of groups and individuals to promote racial equality are described in its annual report for 1982. The Commission's Code of Practice on employment is to take effect from 1 April 1984.

HOME SECRETARY IN BRADFORD

During a visit to Bradford on 22 July in which he visited a Hindu cultural centre and temple and a Moslem mosque the Home Secretary, Mr Leon Brittan, said he was 'unshakeably opposed to discrimination on any grounds and . . . determined that members of every ethnic minority should enjoy the equality before the law and equality of opportunity which are the priceless heritage of all our fellow countrymen'. Mr Brittan spoke of Bradford's long experience of making a multiracial society work; Bradford was now a multi-ethnic city – a microcosm of much of British society today. It was no longer appropriate to speak of the ethnic minorities as immigrants. Almost half of Britain's population whose origins lay in the New Commonwealth or Pakistan were born in Britain.

Mr Brittan referred to the complex causes of the difficulties that existed between members of different races and said that racial discrimination and racial disadvantage were a daily reality for far too many people. All who wanted to see good community relations should be concerned with

changing attitudes. The Government had an important role here; by its own actions it could influence the general climate of community relations.

Firm immigration control was of vital importance in this respect and was an essential basis for good community relations, but it had to be operated fairly and with sensitivity and humanity. The police also had an important role. They had responded positively to Lord Scarman's recommendations (see pp 373-8, 1981) with many new initiatives, notably in training arrangements.

Mr Brittan described the approach he intended to adopt as Home Secretary. First, he was convinced that the key to good community relations was good personal relations and respect between people. Respect came from knowledge and understanding and from recognition that there was nothing wrong in being different. Secondly, the concept that should be stressed was one of equal opportunity and equal responsibility. This was a concept easy to understand, but not yet in practice, progress towards which could be measured. Thirdly, he intended to proceed with a degree of optimism, with an awareness that there were difficulties, but with confidence that they could be overcome. There was already a platform of goodwill on which to build. Finally, he was confident because he had faith in the good sense and goodwill of the British people, black and white. By personal contact and individual effort barriers to understanding and respect between communities could be removed and the goal of full equality of opportunity and responsibility achieved.

COMMISSION FOR RACIAL EQUALITY

The work of the Commission for Racial Equality and others with whom it has co-operated to promote racial equality is described in its annual report published on 5 July.[1] While pointing out that discrimination in employment remains a cause of 'deep-seated grievance', the report acknowledges the positive effect of action taken by central and local government to tackle racial disadvantage and discrimination.

The Commission for Racial Equality was set up under the Race Relations Act 1976 to work towards the elimination of discrimination, to promote equality of opportunity and good relations between people of different racial groups, and to keep the legislation under review. Much of its work it sees as 'the persistent and successful persuasion of others', while the effect of such work as investigations into possible discrimination, dealing with complaints of alleged discrimination, and submitting evidence to inquiries, it regards as more immediately apparent. The Commission continues to deal with an increasing number of complaints of racial discrimination but finds its ability to act quickly and decisively hampered by the law. It proposes to seek amendments to the Race Relations Act to enable it to carry out these functions with less procedural delay.

[1]*Commission for Racial Equality. Annual Report for 1982.* Published by the Commission, Elliot House, 10-12 Allington Street, London SW1E 5EH. £1.

Employment

The Commission believes the elimination of racial discrimination in employment to be an essential first step towards a fair society and has undertaken a number of initiatives towards this end. A draft code of practice for employers for the promotion of equality of opportunity in employment was submitted to the Secretary of State for Employment in 1982 (see p 284). In carrying out investigations in the employment field the Commission found recruitment practices which acted as barriers to black job seekers and non-discrimination notices were issued.

During 1982 the Commission encouraged the development of the 'positive action training' permissible under the Race Relations Act, and a course for potential managers of West Indian, Asian and other ethnic minority origins was run by the Management Development Centre of the West Midlands Engineering Employers' Association. Three other courses were subsequently approved in other areas. Several local authorities have initiated positive action schemes, for example the pre-entry training courses for social work trainees in the London Borough of Lambeth.

The Commission expresses concern at the high rate of youth unemployment and points out that rates are highest among people of West Indian origin. The Manpower Services Commission, which supervises the Youth Training Scheme for young unemployed people has stated that all those involved in the scheme will be expected to avoid discrimination and accept the principle of equal opportunity for all. Community-based employment and training projects for black youth are of increasing importance and the Commission provided assistance for many of these projects.

Work to promote equal opportunity policies was undertaken with numerous organisations during the year, in both the public and the private sectors, and recommendations were made to the broadcasting authorities on equal opportunities in television.

Two major authorities – Bradford Metropolitan and West Midlands County – introduced equal opportunity programmes and liaison was maintained with a number of other authorities which were developing such policies. Contacts were also made with trade unions and, in association with the Trades Union Congress, the Commission funded a project examining trade union courses for members of the ethnic minorities.

The development of black businesses was the subject of two major conferences, the second of which was well attended by the black business community and addressed by the then Secretary of State for the Environment, Mr Michael Heseltine.

Education

Education has a long-term role in race relations and the way that educational establishments operate has a profound effect both on white perceptions of black Britons and on the attitudes and aspirations of the ethnic minorities, says the report. The importance of education and race is being increasingly recognised by local education authorities. The Commission has held discussions

with the Department of Education and Science and national education bodies and maintained contact with organisations concerned with multiracial education. To provide practical help for teachers it co-operated with the Inner London Education Authority in designing material to help teach English as a second language and updated its own home tutors' language kit.

Policing and the Ethnic Minorities

While stating that no section of society can claim to be outside the law and that no deprivation can excuse rioting, street crime or racially motivated attacks, the Commission asserts that law-breakers must be dealt with firmly and impartially, regardless of race or colour. At the same time it believes that urban peace can only be achieved by sensitive policing which recognises the changing nature of society; acts decisively to stamp out racially motivated attacks as well as mugging; recognises that successful operations depend on both consultation with and co-operation from the public; and recognises the existence of racially prejudiced behaviour by certain officers and acts firmly to eradicate it. Throughout the year the Commission worked towards the acceptance of Lord Scarman's recommendations on policing, and regarded the encouragement of consultative committees as one of Lord Scarman's most important recommendations (see p 256, 1982). It acknowledges the positive response of most police forces although it doubts whether ethnic minorities were adequately represented on some committees.

The importance of training in race relations is emphasised. The Commission was represented on the Home Office working party on police training and race (see p 145), worked with the Metropolitan Police in human awareness training, and participated in training given by the Bramshill Police College. A pilot scheme on 'training the trainers' was started with the Kent Constabulary. The Commission has made clear to the Home Office that it believes that racially prejudiced behaviour by police officers should be treated as a specific disciplinary offence.

Concern is expressed that the news media report crime in such a way as to suggest a disproportionate involvement of black people. An analysis of Metropolitan Police statistics suggested that young blacks were not as overrepresented among muggers as some parts of the media reported nor were the elderly overrepresented among their victims.

Local Government

The report says that many local authorities are now in the forefront of those organisations developing progressive policies and practices in the race field and 1982 saw a substantial growth in the number of authorities employing race relations advisers. The Commission attended a number of seminars concerned with local authority issues.

Housing

There was continuing involvement with local housing authorities to promote racial equality in public housing. A research project was initiated by a major building society to monitor the extent to which minority groups obtained access to the society's mortgage facilities and a campaign was conducted with three national organisations representing estate agencies to establish how estate agents could best be persuaded to ensure that no discrimination occurred. Work with housing projects for black people culminated in the formation of the National Association of Black Housing Projects.

Personal Social Services and Health Services

Local authorities are increasingly attempting to gauge the responsiveness of their services to ethnic minorities and some departments have made considerable strides in trying to meet the needs of black residents. The Commission was involved in training in social services departments and in the preparation of a report on teaching social work in a multiracial society by the Central Council for Education and Training in Social Work.

Concern is expressed on the effect on race relations of the eligibility checks introduced with the new regulations to charge overseas visitors for National Health Service facilities. Among the positive developments recorded is the establishment of the Ethnic Minorities Health Studies Unit in Bradford.

Working with Others

The Commission attaches great importance to its contacts with local community relations councils, ethnic minority organisations, regional consultative committees and others. It believes in the exchange of views with organisations concerned with the legal, social, economic, artistic, religious, political and welfare rights of ethnic minorities, and meetings for this purpose were held with High Commissions, the Churches and other national organisations.

Grants

Over £2 million was paid to community relations councils for staff salaries in 1982, and grants were made for projects organised by the councils. Financial aid was also given to other specific projects and to self-help groups. During the year the priority areas were: youth training and counselling; employment projects; educational provision; advice and community centres; ethnic minority arts; and elderly people from the ethnic minorities. Other grants were made towards activities such as race awareness training, language training, youth clubs and child care. The majority of projects funded under the Commission's Self-Help Scheme were concerned with young people.

The Media

The media have a vital role in race relations, says the report, since they affect the way in which whites perceive and understand their black fellow citizens and the way in which black people feel towards Britain. Progress has been made to avoid sensationalism and bias but the treatment of some issues by some sections of the media shows that efforts have still to be made. Meetings were held with journalists to discuss race reporting and the National Union of Journalists' race reporting guidelines have been distributed. The provision of

courses to enable more black people to enter journalism has been discussed with the Manpower Services Commission.

The Law

The report says that the Commission for Racial Equality is a law enforcement agency but that its investigative machinery is 'elaborate and cumbersome'. It has begun work on preparing proposals to amend the Race Relations Act 1976. Under its powers to carry out formal investigations it has examined and reported on a number of issues which have an impact on ethnic minorities, such as methods of recruitment, the operation of rules at places of entertainment, the allocation of public sector housing, educational provision, and the operations of estate agents.

During 1982, 956 applications for assistance were received by the Commission from people who believed that they had suffered racial discrimination and who have the right to institute proceedings in industrial tribunals in employment cases and in designated county courts. The Commission also received complaints about discriminatory advertisements and about printed material thought by members of the public to be likely to incite racial hatred.

EMPLOYMENT CODE OF PRACTICE

An Order has been laid before Parliament to bring the Commission of Racial Equality's Code of Practice into operation on 1 April 1984. The Code of Practice, which received parliamentary approval on 18 June, gives practical guidance to employers, trade unions, employment agencies and employees on the provisions of the Race Relations Act and on how they can best overcome racial discrimination and achieve equality of opportunity in the employment field. Under the Race Relations Act 1976 the Commission is empowered to issue Codes of Practice containing guidance on the elimination of discrimination and the promotion of equality of opportunity in employment.

Housing and Building Control Bill

The Housing and Building Control Bill, reintroduced after the general election, was given a second reading in the House of Commons on 5 July. The Bill extends the right of public sector and certain other tenants in England and Wales to buy their homes from public authorities, gives certain tenants the right to a shared ownership lease and provides for an optional system of private certification of compliance with building regulations.

Main Provisions of the Bill

The provisions of the Bill are broadly similar to those of the Bill introduced in the last Parliament (see pp 31-2). The Bill extends the right to buy their homes conferred on public sector tenants by the Housing Act 1980 (see pp 56-8, 1980) to those whose landlord does not own the freehold.[1] It also gives certain tenants the right to be granted a shared ownership lease – that is, the right by a tenant who cannot afford a mortgage on the whole property to buy an initial share in his or her home of at least 50 per cent, paying rent on the proportion of the home not bought.

The Bill clarifies and amends the provisions governing qualification to buy and the discount to which purchasers are entitled, and modifies other aspects of the 'right-to-buy' procedures in the 1980 Act. It gives the Secretary of State for the Environment powers to assist purchasers in relation to actual or prospective legal proceedings in connection with the right to buy, and to give directions about covenants or conditions included in conveyances or leases under the right to buy. It also amends the provisions about the assignment of secure tenancies, to prevent the right to buy from being extinguished.

Provision is made in the Bill for a system of private certification of compliance with building regulations, at the option of the person carrying out the building work, as an alternative to local authority building control. A system of approved documents would give practical guidance about the requirements of the building regulations.

House of Commons Debate

The Bill was given a second reading by 352 votes to 145, a government majority of 207.

Government View

The debate was introduced by the Minister for Housing and Construction, Mr Ian Gow (*Hansard*, Vol 45, No 14, cols 160-240), who said that the Bill was in substantially the same form as when Parliament had been dissolved in May. The fact that the Bill had been reintroduced so quickly 'underlines the importance that the Government attach and will continue to attach to housing'.

Until 1979 successive governments had adopted, as one of the criteria for the success of their housing policies, the number of new council houses that had been built exclusively to rent, with little or no intention that those houses should remain other than for letting in the public sector. However, the 1978 General Household Survey (see pp 188-9, 1980) had shown that home ownership was the preferred form of tenure for 90 per cent of those under the age of 45 and for 61 per cent of those over the age of 45, and all the evidence suggested that what the 1978 survey found was even more true today. The Housing Act 1980 (see pp 56-8, 1980) had given secure council tenants of three years' standing the right to buy their homes. During the previous Parliament more than 550,000 tenants had bought their homes, either under the right-to-buy legislation or under voluntary schemes, and there were more than 150,000 right-to-buy sales in the pipeline. The present Bill carried a stage further the principles that had inspired the 1980 Act.

The Bill, Mr Gow said, extended choice in housing. There would still be an important role for

[1] In England and Wales buildings and land are owned either freehold (that is, in perpetuity) or leasehold (for a fixed period, commonly 99 or 999 years).

public sector housing to let and there would be many who preferred to remain as tenants or would be unable to buy. Government policies had in the public sector to continue to take special care of the elderly, the disabled and one-parent families; they also aimed to revive the private rented sector. However, every assistance and encouragement should be given to people's preferred choice, which was for the pride and independence associated with home ownership. The maximum right-to-buy discount would be increased from 50 per cent after 20 years' tenancy to 60 per cent after 30 years' tenancy; about 400,000 tenants would be entitled to buy at the extra discount. The qualification period before a council tenant could exercise the right to buy would be reduced from three to two years and the discount scale would start at 32 per cent, giving another 250,000 tenants the right to buy.

Turning to those parts of the Bill which dealt with building control, Mr Gow said that the present system was not satisfactory. There had been persistent criticisms that it was cumbersome and bureaucratic and that the form of building regulations was inflexible, inhibited innovation and imposed unnecessary costs. The main purpose of the second part of the Bill was to provide the opportunity for greater self-regulation through a system of private certification of compliance with the building regulations, but the Minister stressed that this would be optional and builders and developers would still be able to have their buildings supervised by local authorities if they wished. The third part of the Bill provided for simpler regulations which could be kept up to date more easily. Both parts, Mr Gow said, 'reflected the Government's belief that, wherever possible, the individual should enjoy greater freedom and choice, and should accept the responsibility that goes with them. Those parts of the Bill also reflect our conviction that, in many areas of policy, partnership between the public and private sectors, rather than a municipal monopoly, provides hope and opportunity for progress.'

Opposition Views

Mr Gerald Kaufman, Opposition spokesman on the environment, said that the Bill was not a policy for owner occupation but simply for a marginal form of owner occupation. Council tenants wanted to become owner occupiers but only a few of them wished to achieve that by buying their own council houses. The Bill did nothing to deal with the crisis of deteriorating housing stock. For the Liberal Party, Mr Simon Hughes said the Bill dealt only with some peripheral areas of housing; the majority of council tenants could not afford to buy and would be unaffected by the Bill's proposals.

Shorter Notes

CAPITAL PUNISHMENT

In a free vote the House of Commons has rejected the idea of reintroducing capital punishment for murder. After a debate on 13 July in which the main motion in favour of restoring the death penalty for murder had been moved by the Conservative MP for Fylde, Sir Edward Gardner, votes were also taken on whether the death penalty should be reintroduced for different categories of murder. Voting was as follows: the restoration of the death penalty for murder was rejected by 368 votes to 223, a majority of 145; the death penalty for murder resulting from an act of terrorism was rejected by 361 votes to 245, a majority of 116; the death penalty for murder of a police officer during the course of his duties was rejected by 344 votes to 263, a majority of 81; the death penalty for murder of a prison officer during the course of his duties was rejected by 348 votes to 252, a majority of 96; the death penalty for murder by shooting or causing an explosion was rejected by 374 votes to 204, a majority of 170; and the death penalty for murder in the course or furtherance of theft was rejected by 369 votes to 194, a majority of 175.

Capital punishment for murder was abolished in England, Scotland and Wales in 1965 and in Northern Ireland in 1973. The question of its reintroduction was last debated in the House of Commons in May 1982 when MPs voted against restoration by a majority of 162 (see p 213, 1982).

Source: *Hansard*, Vol 45, No 20, cols 892-996.

CRIME PREVENTION UNIT

A Crime Prevention Unit is to be established at the Home Office as part of the Government's policy of giving high priority to the development of a strategy for crime prevention.

The unit, which will be set up on an experimental basis for an initial three-year period, will be concerned primarily with the development of short-term measures which will have a direct impact on crime; it will have a strong research base and will work within the broad strategy of seeking to establish a physical environment that is not conducive to crime. Working with local agencies it will set up research and development projects aimed at the prevention of local crime problems. It will also be available to assist organisations – such as local authorities, the police, industrial and commercial bodies – with the development of the design, implementation and evaluation of their own preventive initiatives. The unit will work with existing crime prevention departments in the police service and in particular will help with the use of crime analysis in identifying local preventive measures. To support the general development of crime prevention it will provide an information service on preventive tactics and initiatives for central, regional and local bodies; it will also take the lead in encouraging the development of local victim and crime surveys. The unit will work closely with the existing Home Office Standing Committee on Crime Prevention and with the Home Office Crime Prevention Centre at Stafford.

Its work will constitute part of the Government's co-ordinated approach to the prevention of crime, and will complement other activities within central Government aimed at the development of long-term preventive strategy. Measures which have already been initiated by the Home Office in crime prevention include: a seminar at the Police Staff College, involving local police officers, senior officials from government departments and local authority chief executives, on locally co-ordinated action to prevent crime, followed by separate meetings with local authority organisations, chief executives and the Standing Committee on Crime Prevention; a national television and press campaign on the fitting of window locks to deter burglars; discussions with the London clearing banks on measures to deal with cheque card fraud; preparation by the British Standards Institution of a draft guide for architects and planners on the security of dwellings; and discussions with police, government departments and relevant officials on the prevention of various types of vehicle-related crime.

Source: Home Office press notice, 6.7.83.

LAY VISITORS TO POLICE STATIONS

Pilot schemes for lay visitors to police stations are being established in seven police force areas. Announcing this in a parliamentary reply on 6 July the Home Secretary, Mr Leon Brittan, said that consultations with the local authority associations and police representative bodies had revealed broad agreement about both the benefits which lay visiting schemes might confer and the practical basis on which they could operate. Mr Brittan recalled that the Government had welcomed Lord Scarman's recommendation that there should be random checks by independent persons on the detention of suspects at police stations (see p 377, 1981) as a constructive and positive suggestion for bringing the police and the community closer together, and had set in hand consultations with the local authority associations and police representative bodies. The police had made it clear that they would be willing to co-operate in arrangements which, while not hampering their work, might help to dispel suspicions about the treatment of suspects held in their custody. Agreement had now been reached with the Association of County Councils, the Association of Metropolitan Authorities and the Association of Chief Police Officers that pilot schemes should be established in six police force areas; the Home Office was now issuing guidelines for the establishment and conduct of lay visiting arrangements. The police forces in whose areas lay visiting had either already been or would be introduced were: Greater Manchester, West Midlands, South Yorkshire, Humberside, Cheshire and Leicestershire.

In addition, Mr Brittan continued, he had authorised the establishment, also on a pilot basis, of a lay visiting scheme in L District of the Metropolitan Police Force [covering the London Borough of Lambeth]. It would be brought into effect as soon as he had appointed a panel of lay visitors after considering the names of persons suggested for the panel by the Community/Police Consultative Group for Lambeth and others. He also proposed, with the full support of the Commissioner of Police of the Metropolis, to establish similar schemes in other Districts of the force.

Source: *Hansard*, Vol 45, No 15, written answers, cols 89-91.

Government and Administration

Review Body on Top Salaries. Report No 20. Review of Parliamentary Pay and Allowances (see pp 248-50).

Vol 1. Report. Cmnd 8881-I. HMSO, £5·55. ISBN 0 10 188810 4.

Vol 2. Surveys and Studies. Cmnd 8881-II. HMSO, £13·20. ISBN 0 10 188811 2.

Review Body on Top Salaries. Report No 19. Sixth Report on Top Salaries (see pp 247-8). Cmnd 8879. HMSO, £3·95. ISBN 0 10 188790 6.

Northern Ireland Parliamentary Commissioner for Administration. Annual Report for 1982. HMSO, £5·55. ISBN 0 10 201784 0.

Northern Ireland Commissioner for Complaints. Annual Report for 1982. HMSO, £7·65. ISBN 0 10 201884 7.

Review of Personnel Work in the Civil Service: Report to the Prime Minister. Contains the general findings of a review begun in 1982 as part of the Government's centrally co-ordinated efficiency programme which was concerned with improving both the quality and cost-effectiveness of personnel work in the Civil Service. HMSO, £5·40. ISBN 0 11 630468 5.

Keeping Offenders out of Court: Further Alternatives to Prosecution. Second Report of the Committee on Alternatives to Prosecution appointed by the Secretary of State for Scotland and the Lord Advocate to consider the effect on the criminal courts and the prosecution system of the volume of minor offences dealt with by summary prosecution, and which recommends a number of alternatives to prosecution for such offences. Cmnd 8958. HMSO, Edinburgh, £6. ISBN 0 10 189580 1.

External Affairs and Defence

Statement on the Defence Estimates 1983 (see p 252).

Vol 1. Cmnd 8951-I. HMSO, £4. ISBN 0 10 189510 0.

Vol 2. (Defence Statistics.) Cmnd 8951-II. HMSO, £4·50. ISBN 0 10 189511 9.

United Nations Convention on the Law of the Sea. Open for signature . . . from 10 December 1982 to 9 December 1984. (The United Kingdom has not signed the Convention.) Presented to Parliament by the Secretary of State for Foreign and Commonwealth Affairs . . . July 1983. Cmnd 8941. HMSO, £9·15. ISBN 0 10 189410 4.

The Overseas Development Administration's Scientific and Special Units. Observations presented by the Government on the Fourth Report from the House of Commons Foreign Affairs Committee, Session 1982-83. Cmnd 9003. HMSO, £1·75. ISBN 0 10 190030 9.

A Year Book of the Commonwealth 1983. HMSO, £15·95. ISBN 0 11 580232 0.

'Common Crisis'. Co-operation for World Recovery: the Brandt Commission 1983. Memorandum prepared by the Foreign and Commonwealth Office. Presented to Parliament . . . July 1983. Cmnd 9001. HMSO, £3·15. ISBN 0 10 190010 4.

Economic and Scientific Affairs

Cash Limits 1982-83. Provisional Outturn (and 1981-82 Outturn). Cmnd 8987. HMSO, £3·50. ISBN 0 10 189870 3.

Bank of England. Report and Accounts for the year ended 28 February 1983. Available free from the Bank of England, Threadneedle Street, London EC2R 8AH.

Committee on Invisible Exports. Annual Report 1982-83. Available free from the Committee on Invisible Exports, 7th Floor, The Stock Exchange, London EC2N 1HH.

The Overseas Earnings of the UK Art Market. The contribution in 1980-81 of the art market to Britain's invisible export earnings is estimated at £53 million, of which £20 million was attributable to auctions and £33 million to dealers. Committee on Invisible Exports, 7th Floor, The Stock Exchange, London EC2N 1HH. £5.

Visible Imports Subject to Restraint (see pp 275-6). Available free from Civil Service College, 11 Belgrave Road, London SW1V 1RB.

Manpower Services Commission. Annual Report 1982-83. Manpower Services Commission, Moorfoot, Sheffield S1 4PQ. £1·50. ISBN 0 905932 94 3.

Annual Report of the Director General of Fair Trading 1982 (see p 276). HMSO, £6·95. ISBN 0 10 202084 1.

Companies in 1982. The report notes that the number of companies registered rose by 19,000 during 1982. The total number of companies (807,817) was more than 50 per cent higher than in 1971. HMSO, £4·50. ISBN 0 11 513719 X.

British Shipbuilders. Annual Report and Accounts 1982-83. Available from HMSO, £2·50. ISBN 0 906543 04 5.

British Steel Corporation. Annual Report and Accounts 1982-83. Available from HMSO, £1·50. ISBN 0 901894 59 1.

British Gas Corporation. Annual Report and Accounts 1982-83. Available from HMSO, £2. ISBN 0 903545 31 4.

National Coal Board. Report and Accounts 1982-83. Purchasing and Contracts Office, NCB, Hobart House, Grosvenor Place, London SW1X 7AE. £2·50. ISBN 0 906394 08 2.

The Electricity Council. Annual Report 1982-83. Available free from the Public and Overseas Relations Department, Electricity Council, 30 Millbank, London SW1P 4RD. ISBN 0 85188 091 6. Detailed accounts and statistics are given in *The Electricity Council Statement of Accounts and Statistics 1982-83.* Available from HMSO, £2·25. ISBN 0 85188 092 4.

Central Electricity Generating Board. Annual Report and Accounts 1982-83. Press and Publicity Office, CEGB, Sudbury House, 15 Newgate Street, London EC1A 7AU. £2. ISBN 0 902543 70 9. Detailed statistics are given in *CEGB Statistical Yearbook 1982-83.* Available free from the CEGB. ISBN 0 902543 71 7.

North of Scotland Hydro-Electric Board. Report and Accounts 1982-83. Available free from the NSHEB, 16 Rothesay Terrace, Edinburgh EH3 7SE.

South of Scotland Electricity Board. Report and Accounts 1982-83. SSEB, Cathcart House, Glasgow G44 4BE. £2.

Northern Ireland Electricity Service. Annual Report and Accounts for the year ended 31 March 1983. Available free from the NIES, PO Box 2, Danesfort, 120 Malone Road, Belfast BT9 5HT.

National Bus Company. Annual Report and Accounts 1982. Available from HMSO, £2. ISBN 0 11 983536 3.

Public Transport in London (see p 273). Cmnd 9004. HMSO, £1·90. ISBN 0 10 190040 6.

British Airports Authority. Annual Report and Accounts 1982-83. Available free from the BAA, Gatwick Airport, Gatwick, West Sussex RH6 0HZ. ISBN 0 903460 26 0.

British Waterways Board. Annual Report and Accounts 1982. Available from HMSO, £3·50. ISBN 0 903218 28 3.

The Post Office. Report and Accounts 1982-83. Available from HMSO, £1·50. ISBN 0 946165 03 3.

British Telecom. Report and Accounts 1982-83. Available from HMSO, £1·50. ISBN 0 11 983535 5.

First Joint Report by the Chairmen of the Advisory Council for Applied Research and Development (ACARD) and the Advisory Board for the Research Councils (ABRC) (see pp 276-7). Cmnd 8957. HMSO, £3·15. ISBN 0 10 189570 4.

Social and Cultural Affairs

General Household Survey 1981 (see p 278). HMSO, £11·70. ISBN 0 11 690982 X.

HM Chief Inspector of Constabulary for Scotland. Report for the Year ended 31 December 1982. Cmnd 8953. HMSO, Edinburgh, £5·20. ISBN 0 10 189530 5.

Report of HM Chief Inspector of Fire Services 1982 (Metropolitan Counties and Non-metropolitan Counties, England and Wales and Greater London Council). Cmnd 8964. HMSO, £4·95. ISBN 0 10 189640 9.

Smoking and Health in Britain. COI, No 197/83.

Annual Report of the Health Service Commissioner 1982-83. Report by the Health Service Ombudsman, who deals with complaints from members of the public. It reveals that the number of complaints received in 1982-83 – 798 – was the highest since his office was established in 1973; this was possibly due in part to a growing awareness of the existence of the Ombudsman service. The report contains summaries of 32 cases of particular interest. HMSO, £3·75. ISBN 0 10 200384 X.

Report by Her Majesty's Inspectorate on the Effects of Local Authority Expenditure Policies on the Education Service in England in 1982. Available free from Publications Despatch Centre, Department of Education and Science, Honeypot Lane, Stanmore, Middlesex HA7 1AZ.

University Grants Committee Annual Survey 1981-82. Cmnd 8965. HMSO, £4·50. ISBN 0 10 189650 6.

Young People in the Eighties. A Survey. A survey commissioned by the Review Group on the Youth Service, which reported in October 1982 (see pp

368-9, 1982). It gives the views of more than 600 young people aged 16-19, on topics such as home and parents; achieving adulthood; drink and drugs; the police and law enforcement; employment; money and ownership and other political and social concerns. HMSO, £4·50. ISBN 0 11 270394 1.

Commission for Racial Equality. Annual Report for 1982 (see p 282). Published by the Commission, Elliot House, 10-12 Allington Street, London SW1E 5EH. £1.

Ancient Monuments Board for England. 29th Annual Report 1982. HMSO, £5·85. ISBN 0 10 203884 8.

The National Trust Movement in Britain. COI, No 209/83. (French and Spanish versions in preparation.)

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